

Item 3: Appendix 5 - Viability assessment and scenarios (republished with additional information) for West Area Planning Committee - Tuesday 24 September 2019

- e) Appendix 5 - JLL viability report (Pages 3 - 130)

This page is intentionally left blank

Appendix 5

18/02065/OUTFUL – Oxford North

Financial Viability Assessment for Oxford City Council

Jones Lang Lasalle (JLL)

9 August 2019

The supporting Development Appraisals are also appended:

- Scenario 1: Savills corrected appraisal 25% Affordable Housing
- Scenario 2: C&B costs 25% Affordable Housing
- Scenario 3: C&B costs and JLL energy loop upside 25% Affordable Housing
- Scenario 4: C&B costs and HIF repaid 25% Affordable Housing
- Scenario 5: C&B costs, 70% social rent 30% intermediate 25% Affordable Housing
- Scenario 6: C&B costs, Homes England Benchmark Land Value 25% Affordable Housing
- Scenario 7: C&B costs, Homes England Benchmark Land Value 70% social rent 30% intermediate 35% Affordable Housing
- Scenario 7 sensitivity 1: C&B costs, Homes England Benchmark Land Value 80% social rent 20% intermediate 35% Affordable Housing
- Scenario 7 sensitivity 2: C&B costs, 80% social rent 20% intermediate 35% Affordable Housing

This page is intentionally left blank

Oxford North

Financial Viability Assessment (FVA) for Oxford City Council

9 August 2019

Contents

1 Introduction	3
2 The Applicant's Updated Viability Position	5
3 JLL Assessment of Applicant's Development Viability Assessment (June 2019)	7
4 JLL Assessment of Viability	9
5 Summary and Conclusions	12

1 Introduction

Overview

JLL were instructed by Oxford City Council (OCC) in **February 2017** to undertake a review of the viability analysis undertaken by the Applicant, Thomas White Oxford Limited (TWO) and their advisors, Savills, in respect of the Oxford North site (which forms the majority of the wider allocation in the Northern Gateway Area Action Plan (AAP)).

The initial development viability appraisal analysis prepared by the Applicant was submitted in **November 2016** in 'Executive Summary' format. Since that point there have been significant discussions with the Applicant's advisors regarding the viability of the scheme and associated issues which impact on viability. This has led to Savills providing several iterations of their initial development appraisal analysis, leading up to their most recent viability submission which is dated **June 2019**, provided to us on **19 June 2019**.

Savills' latest viability submission seeks to crystallise the changes to the scheme as it has evolved since **November 2016** (i.e. both prior to the submission of the planning application in **July 2018** and during the negotiation period of the planning application that followed).

It also seeks to update the development viability position to reflect the discussions between Savills and JLL regarding the inputs to the viability appraisal. This includes assumptions which are agreed between the parties but also Savills' preferred assumptions where the appraisal inputs are not yet agreed.

We have utilised Savills' development appraisal model, which they have undertaken utilising a software package known as 'Argus Developer', to sensitivity test the impact of the assumptions where they are not agreed, as discussed later in this report.

It should be noted that our viability appraisal analysis for the scheme assumes that the later phases are delivered in line with the indicative masterplan provided by the Applicant and in line with the specification that they have proposed for Phase 1A. This will need to be monitored over the life of the development as each reserved matters phase comes forward, as if the scheme changes this will have an impact on development viability.

Viability Analysis and Discussions to Date

The original viability assessment prepared by Savills submitted in **November 2016** reported a significant negative Residual Land Value (RLV) of **-£92.13 million**. This appraisal assumed 50% affordable housing with an 80:20 tenure split between Social Rented and Shared Ownership.

Savills' report concluded that the development **would not** be able to support any affordable housing or planning contributions.

We set out below the dialogue that took place following the initial Savills viability position:

- **March 2017** – it was identified at a meeting between all parties that the costs of the scheme (both in terms of standard construction costs and the abnormal/infrastructure costs, some of which may form S.106/Community Infrastructure Levy (CIL)), were a key impact on development viability.

Phil Jones Associates (PJA) highways consultants were therefore appointed on behalf of the Council to assess the Applicant's proposed highways solution, and quantity surveyors Currie & Brown (C&B) were appointed on behalf of the Council to review the build and infrastructure costs prepared on behalf of the Applicant by

Gardiner & Theobald (G&T). The outcome of this was a that a 'matrix' of costs was produced, which demonstrated that whilst the highways solution was broadly appropriate, there was a significant divergence between G&T and C&B as to the anticipated cost of both the construction and infrastructure items. Whilst some cost differences between a set of consultants should always be expected, the gap in this instance was large and required further negotiation between the surveyors.

- **September 2017** - Savills updated viability analysis. However, this analysis did not take into account some of the progress that had been made on the infrastructure matrix. Savills' updated viability analysis continued to show that neither a policy compliant level of affordable housing or a 0% affordable housing was viable. Indeed, the scheme was more unviable than Savills' previous appraisals in **November 2016**.
- **November 2017** - JLL provided an initial assessment of the viability of the scheme in 'Working Draft' format. This viability appraisal indicated that even if costs could be reduced, affordable housing provision of 50% at an 80:20 tenure split would not be viable. However, a scheme with 0% affordable housing could be viable and would also generate a project surplus of developer's return for risk (based upon the assumptions adopted). A sensitivity test was then undertaken of 10% affordable housing provision, which demonstrated that this level of affordable housing could be viable.
- **November 2017 to May 2018** – In **November 2017**, there remained disagreement between Savills and JLL on a range of the appraisal inputs, both in terms of cost and value. There continued to be a significant difference between the parties in respect of costs assessed by G&T and C&B and hence this was subject to detailed interrogation between the respective parties' quantity surveyors. A revised Cost Plan was provided by G&T which was reviewed by C&B, with C&B's respective Cost Plan being provided in **May 2018**. Both of these Cost Plans took into account a range of 'value engineering' which the Applicant had undertaken to the scheme to seek to reduce costs, where possible. In particular, this included a reduced specification of the residential element of the scheme to bring down costs as far as practical whilst also seeking to balance this with maintaining design quality.
- **June 2018** - Savills produced an Interim Viability Update in **June 2018**, along with a **July 2018** interim update to support the hybrid planning application (Part of phase 1a being submitted in full, all other phases in outline) which was submitted in **July 2018**. JLL reviewed Savills' June 2018 viability update and concluded that whilst there were still some areas of disagreement between the parties, a 25% affordable housing provision could be achieved. An important area of agreement was Benchmark Land Value. JLL's proposed BLV of £12,400,000 was accepted and agreed by Savills.
- **October 2018** - The Interim Viability Update was not reviewed by JLL, as further appraisals were undertaken by Savills in **October 2018** to inform the Housing Infrastructure Funding (HIF) submission. This was led by Savills and was provided to JLL on the evening of the **11 October 2018** prior to its submission on **12 October 2018**.
- **April 2019 Onwards** - Updated draft appraisals provided by Savills on **16 April 2019**. These were reviewed by JLL. JLL and Savills held meetings to further discuss and attempt to agree inputs to the viability. These were constructive meetings where the position of the respective parties moved closer together and technical issues and queries were resolved, however points of difference remain. The **April 2019** appraisals evolved into Savills' latest submission circulated in **June 2019**.

RICS Professional Standards & Guidance

Following the publication of the RICS Professional Statement: 'Financial Viability in Planning: Conduct and Reporting First Edition (**May 2019**)', which is effective from the 1st September 2019, this section responds to the conduct and reporting requirement set out by the RICS Professional Statement.

Confirmation of Instructions & Terms of Engagement

As set out above, OCC have instructed us to review the viability information submitted by the Applicant and their advisors, Savills, dated **June 2019** and provided to us on the **19 June 2019**, and undertake an FVA of the Applicant's submission in line with the RICS Practice Statement.

We have been involved in the project since originally being instructed in **February 2017**, as set out above.

We confirm that we do not anticipate that a conflict of interest would arise in acting on behalf of OCC in respect of this site, as required by Paragraph 2.2 of the RICS Practice Statement.

We have sub-instructed Currie & Brown (C&B) to review the costs that have been presented by the Applicant. In addition, Phil Jones Associates (PJA) have provided advice on the highways/transportation issue seeking to identify areas where the scope of infrastructure could be refined to assist development viability.

Statement on Objectivity, Impartiality and Reasonableness

In line with Section 2.1 of the RICS Practice Statement, we have adopted a collaborative approach with the Applicant and their advisors in reviewing the viability of the Applicant's proposals. We have acted with objectivity, impartiality and without interference, and with reference to all appropriate available sources of information in preparing this FVA.

FVA Origination, Reviews & Negotiations

As discussed in Paragraph 2.8 of the RICS Practice Statement, this report comprises our final review of the Applicant's viability submissions, following our original review which we reported in **November 2017**.

As set out above, discussions and negotiations subsequently took place and this final report aims to crystallise the progress made on agreeing inputs to the FVA. It also sensitivity tests areas of difference between Savills and JLL, so that the impact on development viability is understood.

Timescales for Carrying Out Assessments

As required by Paragraph 2.14 of the RICS Practice Statement, we confirm we have allowed adequate time to produce and review the Applicant's viability information having regard to the scale of the project.

Statement on Duty of Care and Due Diligence

As required in Section 4 of the RICS Practice Statement, we confirm that we have carried out an FVA on behalf of the LPA, in mind of the requirements of Section 4 of the RICS Practice Statement.

Remaining Structure of the Report

The remainder of the report focuses on Savills' latest viability submission (June 2019), and is therefore structured as follows:

- **Section 2** sets out the Applicant's most recent viability position;
- **Section 3** sets out JLL's assessment of the Applicant's viability appraisals (providing an overview of the areas which are agreed, and any outstanding areas of difference);
- **Section 4** provides JLL's updated assessment of viability and our viability analysis; and
- **Section 5** sets out our summary and conclusions.

2 The Applicant's Updated Viability Position

Overview of Savills' Current FVA Position

Savills have undertaken three development appraisal scenarios in their June 2019 FVA, the findings of which are as follows:

Table 2.1: Savills June 2019 FVA Findings

Scenario	Fixed Benchmark Lane Value (BLV)	Developer's Return for Risk (Profit)
25% affordable housing provision (with an 80:20 tenure split between social rented and shared ownership), i.e. 120 affordable units of which 96 would be social rented	£12.4 million	Circa 11% on cost
30% affordable housing provision (with a 60:40 tenure split between social rented and shared ownership) , i.e. 144 affordable units of which 86 would be social rented	£12.4 million	Circa 11% on cost
25% affordable housing provision with an 80:20 tenure split between social rented and shared ownership, however, for this scenario Savills' sensitivity tested their interpretation of JLL's alternative position/assumptions in their model.	£12.4 million	Circa 18% on cost

Source: Savills' June 2019 Viability Submission; JLL Analysis (July 2019)

Table 2.1 above shows that 25% affordable housing has been tested by the Applicant. This level of affordable housing has been viability tested on the basis that Savills' appraisal assumes that **£10 million** of grant funding is secured through the Housing Infrastructure Fund (HIF). We understand that 25% affordable housing is the minimum level of affordable provision that was included in the bid to Homes England (HE) for HIF funding.

The Applicant's viability analysis demonstrates that the level of return for risk (profit) is lower than usually anticipated in the market with only 10.67% developer's return (profit) on cost being generated. The £10 million of HIF is included in Savills' appraisal.

Savills' second scenario demonstrates that, based on Savills' figures, if a non-policy compliant affordable housing tenure mix of 60% Social Rented and 40% Shared Ownership is adopted the viability of the scheme is improved and approximately 30% affordable housing could be provided with the same developer's return being generated. This is because Housing Associations are able to pay developers a greater amount for shared ownership units than they are for social rented ones.

In both Scenarios 1 and 2, Savills contend that the level of developer's return is 11% on cost, and hence they argue that the Applicant would be 'sacrificing' the level of profit between 11% and the higher level of return which would be anticipated by developers in the market, in order to provide 25% affordable housing on the site.

Finally, Savills' third scenario seeks to sensitivity test the impact of JLL's development viability appraisal assumptions on development viability. Savills viability testing anticipates that if JLL's assumptions are adopted in the viability appraisal model (including the lower costs provided by C&B), approximately 18% on cost is generated. Savills anticipate that the 18% on cost figure is more likely to generate an acceptable level of benchmark return.

It is then necessary to interrogate Savills' development appraisal assumptions set out in their updated FVA, and consider the impact on viability where assumptions are not yet agreed. This will assist our understanding as to the likely viability of the scheme (and hence the ability of the scheme to provide affordable housing and other planning contributions). This is considered in the section that follows.

3 JLL Assessment of Applicant's Development Viability Assessment (June 2019)

This section provides an overview of the following:

- Areas now agreed by JLL in Savills' development viability appraisal.
- The outstanding areas of difference.

Areas now Agreed

Table 3.1 provides an overview of the appraisal assumptions which are now agreed between Savills and JLL for the purpose of assessing the viability of the scheme:

Table 3.1: Summary of Areas Agreed

Appraisal Input	Savills' Assumption	JLL Commentary
Private residential sales values	Priced per unit type based upon the planning application Illustrative Masterplan. Resulting sales values per sq ft are between £574 and £654 per sq ft.	Agreed. The sales values are at the higher end of the range we would anticipate and reflect site location and the quality of the proposed scheme.
Ground rents	£10 per unit per annum, capitalised at 4%.	Agreed. The income valuers and developer's in the market has reduced in light of the government's emerging proposals to cap the level of ground rent.
Affordable values	A blended rate of £210 per sq ft based upon a tenure split of 80% Social Rented and 20% Shared Ownership, as per OCC Policy.	The rate is agreed. The rate will improve when the tenure split is shifted towards shared ownership. At a 70:30 split between tenure steh average £/per sq ft for affordable increases to £286
Retail values	£15 per sq ft; 6% yield; 12 month's rent free.	Agreed.
Community values	£15 per sq ft; 6% yield; 12 month's rent free.	Agreed.
Office/workspace values	£33 per sq ft; 6% yield; 28 month's rent free.	Agreed
Manual capital values	A detailed allowance for rent received during the letting periods	Agreed. Whilst it could be argued that this allowance would not apply due to the rent free period, the rent free period would also need to reduce if an alternative approach were adopted. We

		have therefore adopted this assumption as we anticipate that the reduction in rent free and the removal of the manual capital values for rent received would have a slightly negative impact on development viability, depending upon the assumptions adopted.
LEP funding for A40 works	£0	Agreed - Removed from the appraisal (as the costs of the works have been removed from the G&T Cost Plan as the scheme will be funded through the Local Enterprise Partnership (LEP) and delivered by County).
HIF funding	£10 million	Agreed as an input, although it is not yet established the timing and quantum of the grant that will be recovered to the City Council. It is noted that the grant is to be given by Homes England to the City Council on a recoverable grant basis.
Areas	As per Illustrative Master Plan and Accompanying Schedules.	The area schedule is amended in respect of Block 1F, gaining one affordable unit and losing one market unit. We understand that this was undertaken to generate the correct number of affordable units to make up 25% provision.
Car parking revenues	£15,000 per space.	Agreed.
Purchaser's costs	6.80%	Agreed
Benchmark land value	£12.4 million	Agreed – The JLL proposed benchmark is agreed on an EUV plus premium approach (based upon evidence provided to Communities and Local Government (CLG) by Turner Morum). It is JLL's advice that this is the minimum amount that a willing seller would require in order to incentivise them to dispose of the land.
CIL	£6.755 million	The approach is agreed but we have reduced this figure to £5,283,913 as advised by OCC.

Residential marketing costs	1% of GDV on residential	Agreed.
Commercial marketing costs	£1 per sq ft	Agreed
Letting agent's fees	10% of the first year's rent.	Agreed
Letting legal fees	5% of the first year's rent.	Agreed
Residential sales agent fees	1% of GDV	Agreed
Residential sales legal fees	0.25% of GDV (the hotel is in line with the commercial).	Agreed.
Commercial sales legal fees	0.5%	Agreed – as these fees apply to the Net Development Value (NDV) not the GDV, in line with market practice.
Section 106 items	Bus Subsidy £2.88 million Travel Monitoring £6,000 Traffic Regulation Order £5,000 Part of the cost of A44 works (included in cost plan)	Agreed – as advised by OCC.
Finance	6.75%	Agreed due to risk and complexity of the scheme.

Source: JLL Analysis (July 2019)

The output of the development appraisals tested is developer's return for risk (profit). It is our opinion that the developer of a large mixed use scheme such as this would seek **20% developer's return on cost** in order to be incentivised to build out the scheme. However, the submitted Viability Assessment states that the applicant would be prepared to make a profit sacrifice to deliver the scheme.

Areas of Disagreement/Divergence between Savills and JLL

The areas of divergence/disagreement between Savills and JLL are as follows:

- **Development areas** – there are slight discrepancies in the areas between the Architect's master plan schedule and the areas in Savills' development appraisal. We do not anticipate that these will have an impact on appraisal of this scale, as the majority of these discrepancies are due to rounding in the Argus software. However, we note that the residential areas of Block F appear to have been adjusted since Savills' last appraisal. We have asked Savills for a justification for this, but no explanation has been provided. We have assumed that the updated areas are correct for the purposes of our development viability appraisal.
- **Energy Loop Income 'Upside' cases** – Savills' position is that the Energy Loop should be 'cost neutral'. However, JLL's base position is that there is a modest surplus in revenues which should be factored into the appraisal. In addition, there may be an upside case achievable which could generate a more significant revenue over and above the cost neutral position. We have therefore sensitivity tested this later on in the report.
- **Construction and infrastructure costs** – there continues to be divergence between G&T and C&B regarding all of the costs for the scheme. This is summarised in C&B's updated analysis undertaken in **May 2019** which is attached at **Appendix 1** of this report. We therefore sensitivity test the impact of C&B's lower build costs in our development viability appraisal as part of our sensitivity testing set out below.
- **Contingency** – whilst Savills have now adopted C&B's lower level of contingency of 5% on Phase 1A (the full aspect of the scheme) and 7.5% on all other phases (which are submitted in outline), Savills have not applied

this rate to the infrastructure items in their appraisal (and hence these items include the higher rate of contingency proposed by G&T of 7.5% and 10% respectively). Therefore, we have considered this in our development viability analysis below.

- **Professional fees** – whilst an allowance of 10% has been agreed between the parties for a bespoke scheme of this nature and scale, Savills have applied the professional fees on the contingency allowance as well as the standard construction costs. We do not agree with this approach and therefore have corrected it in the development appraisal so that professional fees apply to construction costs only (not contingency).
- **Sales agent's fees on the commercial elements** – Savills have applied Sales Agent's fees on the Gross Development Value (GDV), not the Net Development Value (NDV). Applying Sales Investment fees to the NDV is standard market practice in our experience. We have therefore updated this in our development viability appraisal analysis.
- **Homes England advice on Benchmark Land Value** – The bid for HIF grant funding made by OCC/Savills sits outside of this viability process and JLL has not been instructed to review it. When HIF monies are applied for, the application is reviewed by a consultant on behalf of Homes England. In this instance the application was reviewed by Deloitte.

Homes England and Deloitte has taken a different approach from JLL and Savills in respect of the Benchmark Land Value to be applied to the site and it should be noted that JLL (and Savills) fundamentally disagree with that position. Deloitte's position is based upon Existing Use Value plus a set 20% premium to incentivise the land owner to dispose of the land. They therefore believe that the land owner in this instance would dispose of this allocated development land in north Oxford at a small premium over agricultural value, resulting in a sale price of £628,800.

It is our opinion that no land owner would dispose of this large development site for this amount and we provide commentary on this later in the report. Nonetheless, JLL has been instructed to undertake sensitivity testing of the viability based on this figure and it is understood that the City Council will be seeking legal advice on the weight to attribute to the land value used by HE.

In light of the areas of difference noted above we have utilised Savills' development appraisal model and undertaken a range of updates/sensitivity tests to assess the impact on development viability. These are set out in the following section.

4 JLL Assessment of Viability

Approach/Methodology

Given the size and complexity of the scheme we have utilised Savills' development appraisal model, which has been prepared utilising a software package known as Argus Developer, in order to undertake our assessment of viability. Argus Developer is a well-known software package used by both valuers and developers in the market.

The approach to assessing the viability is based on the 'residual' method of development appraisal, which assesses all revenues that could be generated by the scheme against all the costs that are likely to be incurred to undertake the development.

We have assumed a 'fixed' level of Benchmark Land Value (BLV) of £12.4 million for the site. Hence, developer's return for risk (profit) is the output of the development viability appraisal which indicates scheme viability. If the level of return exceeds the benchmark level of return required by typical developers, then the proposals are viable, and hence, there is scope for further affordable housing and/or planning contributions.

However, if the level of developer's return falls below the benchmark level of return, then there is no further scope for affordable housing and/or planning contributions.

Findings

Given the findings of **Section 3** above, we have firstly made several updates to Savills' updated development appraisal model to reflect some of the areas of difference between us and Savills.

This generates Scenario 1 'Savills Corrected Appraisal 25% Affordable Housing' which is as per Savills' assessment of viability, but with our adjustments made to the appraisal model as follows:

- **Contingency** - of 5% and 7.5% respectively on the infrastructure costs (as this has not been updated in Savills' latest appraisals to reflect the true C&B contingency position).
- **CIL** - We understand from OCC Officers that the CIL 'offset' has increased and therefore the CIL payment in the development appraisal reduces from £6,949,056 to **£5,283,913**.
- **Professional fees** - reduce to ensure that they do not apply to the contingency allowance (and apply to construction costs only).
- **Commercial Agent Sales fees** - have been reduced so that they apply to the NDV only and not the GDV. This is now consistent with the legal fees in Savills' appraisal and is in line with standard market practice in our experience.

Table 4.1 below sets out our findings:

Table 4.1: Findings - Scenario 1 -Savills' Correct Appraisal, 25% Affordable Housing

Scenario	Benchmark Land Value (BLV)	Developer's Return for Risk (% on cost)
Scenario 1 – corrected Savills' position	£12.4 million	11.76%

Source: JLL Analysis July 2019

Table 4.1 above shows that there has been a slight increase in the level of developer's return generated by the viability appraisal from 10.67% on cost advised by Savills (which they had rounded up to 11% in their report) to 11.76% profit on cost.

This shows that whilst the level of developer's return increases with our corrections to Savills' model, it does not generate a sufficient level of developer's return for risk, and hence 25% affordable housing is not viable based upon Savills' assumptions and the adjustments that we have made.

Sensitivity Tests

In light of the above, and that there remain areas of difference between Savills and JLL as to what the inputs to the development viability appraisal should be, we have undertaken a range of sensitivity tests to assess the impact of these assumptions on the viability position. We have also sensitivity tested several items at the request of OCC Officers, to test their impact on scheme viability.

Table 4.2 below sets out the scenarios tested and the impact on viability:

Table 4.2: Findings – Sensitivity Testing

Note – the below are based upon the provision of a policy compliant tenure mix (80:20 split) of 25% provision affordable housing unless otherwise specified

Scenario	Benchmark Land Value (BLV)	Developer's Return for Risk (Profit) on cost
Scenario 2 – C&B costs plus JLL's Baseline Energy Loop Position	£12.4 million	18.56%
Scenario 3 – as Scenario 2, but with JLL's upside Energy Loop Position	£12.4 million	19.00%
Scenario 4 – as Scenario 2, but with HIF repaid in Phase 4 of the development	£12.4 million	16.54%
Scenario 5 – as Scenario 2, but with a 70:30 tenure split between Social Rented and Shared Ownership affordable housing	£12.4 million	20.71%
Scenario 6 – as Scenario 2, but with HE's proposed benchmark of £628,800 in as the BLV.	£0.628 million	23.19%
Scenario 7 – Based on Scenario 5, but with the following assumptions made: - Provision of 35% affordable housing with a tenure mix of 70:30 social rent:shared ownership BLV of 0.628m HIF money retained	£0.628 million	22.61%

Source: JLL Analysis (July 2019)

Viability Analysis

Implications of JLL's Assumptions on Development Viability

Table 4.2 demonstrates that where Savills' corrected model is updated to reflect both C&B's lower costs (for both construction and associated infrastructure) and JLL's 'base case' assessment of the revenue that will be generated by the Energy Loop (which is slightly higher than Savills' assessment which reflects a 'cost/value neutral' position), the level of developer's return increases to **18.56% on cost**. Whilst this therefore improves the viability of the scheme, the level of developer's return with 25% affordable housing assumed at an 80:20 tenure mix split does not exceed 20% developer's return on cost (which is the level we anticipate is an appropriate return for a scheme of this size, nature, complexity and risk).

Scenario 3 is based upon the same assumptions as **Scenario 2**; however, the revenue assumed to be generated by the Energy Loop reflects JLL's 'upside' case. This sensitivity test produces a development return marginally higher than Scenario 2 at **19% on cost**. Whilst this is more viable than **Scenario 2** (as the Energy Loop revenues are higher), this indicates that even if the higher Energy Loop revenues were achieved, there would not be a significant impact on development viability. In addition, JLL's Renewable Team have cautioned relying on the upside case, as there is less certainty regarding the Energy Loop incomes in the future. It is considered that any additional value would be best captured via a review mechanism.

Scenario 4 therefore assumes the base JLL appraisal (**Scenario 2**) as a starting point for analysis, but models the position where the HIF monies (which equate to £10 million and assumed to be received in the early years of the development) is repaid (without either interest or indexation) at the commencement of the revenue stream of the last phase of the development (Phase 4). This is because the funding is likely to be awarded on a recoverable grant basis rather than as a grant.

The results show that the developer's return for risk would reduce from **18.56% on cost** in **Scenario 2** to **16.54% on cost**. Hence, if the £10 million of HIF funding were paid back in this phase, this would reduce the viability of the scheme. At present, **Scenario 2** generates **18.56% on cost** which is much nearer to the 20% on cost which we would anticipate is an appropriate level of developer's return.

Scenario 5 considers the impact on **Scenario 2** where a different affordable housing tenure mix is provided. As **Scenario 2** assumes a policy compliant tenure mix of 80% social rented and 20% shared ownership affordable housing, we have sensitivity tested the impact of a tenure split of 70:30 (i.e. 70% Social Rented and 30% Shared Ownership). As the value of Shared Ownership is higher than Social Rented, this should improve the viability of the scheme. Our sensitivity test shows that the developer's return increases from **18.56%** to **20.71% on cost** (which is broadly in line with the benchmark level of developer's return of 20% on cost we anticipate is appropriate). This sensitivity test therefore demonstrates that a 70:30 affordable housing tenure split will improve viability, slightly exceeding the benchmark level of return.

Scenario 6 considers the impact of a significantly reduced Benchmark Land Value (BLV) of **£628,000** (the figure used by Homes England and Deloitte). If this lower level of BLV is adopted, the profitability increases to **23.19% of cost**, indicating that there is a surplus return over and above the benchmark level of the developer's return of 20% on cost which could contribute to affordable housing (and/or other planning contributions). If the return is reduced to 20% on cost the amount of affordable housing provision would be circa 34%.

Finally, **Scenario 7** demonstrates that if Scenario 5 is adjusted to assume a 35% affordable housing based upon a 70:30 tenure split (Social rent:shared ownership) and that the Homes England BLV is used the scheme generates a profit margin in excess of 20% on cost. This indicates that the scheme could viably support 35% affordable housing.

Please note that when the JLL BLV is assumed, profit on cost drops to 18.01% which in our opinion makes delivery of 35% affordable marginal.

If the HIF grant monies are excluded from Scenario 7 (but BLV remains at the HIF figure) the profit on cost drops to 18.49%.

Other considerations

We have been asked by OCC Officers to provide commentary on several issues. We set this out in the paragraphs that follow.

The Applicant's 'Profit Sacrifice' Argument

Savills, on behalf of the Applicant, have proposed 25% affordable housing on the basis that OCC's application to Homes England for HIF funding assumes *a minimum* of 25% affordable housing provision (reference **Paragraph 4.2.1** of Savills' updated viability report). Savills therefore argue that as only circa 11% on cost is generated in their appraisal, the Applicant is essentially sacrificing profit in providing 25% affordable housing at the site (as the level of return they assess falls below 20% on cost).

However, this result is contrary to the findings of our own Development Viability Appraisal analysis, which reflects the fact that JLL's Renewables Team anticipate that the Energy Loop incomes will be higher, and that C&B's assessment of G&T's Cost Plan indicates that they believe that the costs will be lower. Therefore, our viability analysis suggests that the level of profit being 'sacrificed' the Applicant is actually much lower (as our findings for **Scenario 2** generate 18.56% on cost which is only 1.5% lower than our benchmark of 20% on cost).

It should be noted that RICS guidance 'Financial Viability in Planning' (2012) requires an objective assessment of the scheme to be undertaken, and the circumstances of the particular applicant/developer to be disregarded. We have therefore benchmarked our viability appraisals against the benchmark level of return that we anticipate would be appropriate for the scheme in the market (i.e. 20% on cost), rather than the lower level of profit that the Applicant is accepting based upon their own viability figures (which is due to the increased level of cost that they have assumed, and the lower revenues from the Energy Loop). For clarity, it is our view that this scheme would not be fundable or deliverable if less than 20% profit on cost is generated.

Benchmark Land Value (BLV)

There is no set rule for calculating BLV, or for the percentage increase over existing use land value that would incentivise a land owner to release their land for development. All land and ownerships are different and therefore standardising an approach to setting BLVs is a difficult, perhaps impossible task.

A BLV was agreed with the Applicant of **£12.4 million** (which was significantly lower than the Applicant originally argued for). When assessing BLV it is important to consider factors such as:

- RICS and Planning Policy Guidance
- The site location and existing use
- The planning position of the site

- Market conditions

The subject site is one of the last greenfield sites available within the Oxford Ring Road that is not constrained by flooding. Land is in high demand in Oxford for a variety of uses.

The adopted Core Strategy for Oxford, at policy CS2, allows for the development of greenfield land where certain criteria are met, one of which is if it is specifically allocated for that use within the Development Framework. It goes on to say that the Northern Gateway is no longer safeguarded as greenfield land.

The Core Strategy's vision for the Northern Gateway is a B1 office use led development, with supporting uses including residential and hotels.

Policy CS6 allocated the Northern Gateway for employment led development. The Core Strategy goes on to state that the area will be brought forward for development under an Area Action Plan (AAP).

Planning policy therefore sets a framework for the development of the subject and surrounding sites. This serves to decrease the risk involved in bringing sites forward for development and therefore has a positive effect on land value.

The existing use of the site is for grazing land. The application area covers 26.07 hectares (64.41 acres) of which 60 acres is assumed to be grazed at present (gross area less area occupied by highways).

BLV Guidance

The current RICS – Statement on Financial Viability in Planning: Conduct and Reporting (May 2019) was updated following the NPPG update and NPPF2019. This RICS Statement recognises that the primary policy and guidance in assessing viability in a planning context is the NPPF 2019 and NPPG 2019 and that the advice within these documents should be used in carrying out FVAs.

The NPPG states that the Benchmark Land Value, a value used to determine whether a site is viable alongside a recognised profit margin, should be based upon the Existing Use Value (EUV) of the site plus a premium to reasonably incentivise, in comparison with the other options available, the land owner to release land for development while allowing a sufficient contribution to fully comply with policy requirements.

We must consider what the other options for the land owner are in generating a reasonable BLV. In this circumstance, the land owner could hold on to the property and continue to farm it or lease it for agricultural purposes, or they could pursue another form of development in line with the AAP and Core Strategy. The sale of farmland has significant taxation impacts for land owners; where the land owner is a farmer they also have to give up the future revenue stream that could be derived from the land.

The guidance does not specify what a premium should be, only that it should be reasonable. Given that the guidance is relatively recent there is little relevant Appeal evidence to inform what a reasonable premium should be at the subject site. The appropriate landowner premium in Appeals such as Park Lane, Norwich (APP/G2625/W/17/3190739) was 20%. This, however, did not relate to farmland.

Agricultural land values are low on a per acre basis. The MHCLG guidance on Land Value Estimates for Policy Appraisal dated December 2015 refers to an estimated value of £22,000 per hectare (£8,903 per acre) for agricultural land in the south east.

Based on this assessment the EUV of the site is £573,442.23. When a 20% premium is applied the site value increases to £688,130.67.

It is our view that this would **not** incentivise a land owner to sell 64.41 (gross) acres of land allocated for development in Oxford.

Oxford City Council instructed property consultants GVA (now Avison Young) to undertake the viability testing as part of their CIL Examination. This work was undertaken in 2018. At paragraph 7.39 GVA state 'In discussion with the Council, it was agreed that the BLV for each site would be equal to the Existing Use Value plus an uplift of 30%.'

It should be noted that CIL viability testing is undertaken across a wide variety of hypothetical development scenarios. A 30% uplift on the EUV of a car dealership or office premises may well be entirely reasonable incentive for those owners to dispose of the site.

In respect of greenfield development (such as the subject site), at paragraph 7.52 GVA state 'For these sites, for the purpose of assessing viability, a comparison has therefore been made of the values generated by development with a greenfield EUV rate of £7,500 per acre. A 30% uplift has been applied to this to arrive at a BLV as with the other sites.' There is no commentary as to whether this is strategic land with no planning status, or allocated land, or land with planning permission. GVA also do not demonstrate why they believe a land owner would accept a 30% premium (£2,250 per acre).

As the CIL Examination paper EUV's are lower than the MHCLG values we have discounted them for the same reason, we do not believe that in reality a land owner would accept such a minimal capital improvement in land value, therefore it is not a reasonable incentive.

We have had regard to other appeal evidence in order to determine what the appropriate premium should be for farmland.

Appeal ref: APP/U1105/A/13/2208393, land a Pinn Court Farm, Exeter. The Appeal was allowed. At paragraph 16 of the decision the 'Secretary of State agrees with the Inspector's conclusion that the Appellant's viability assessment is to be preferred to that of the Council's..... On the basis of 40% affordable housing provision the landowners would receive about **20 times the agricultural land value** but the Secretary of State agrees with the Inspector that this would be insufficient to incentivise the landowner to sell and accepts the evidence given that 25% affordable housing would be sufficient for the landowner to sell.' [i.e. at 25% affordable housing the land value increased to a multiplier that incentivised sale].

We have also had regard to what is now outdated advice, such as the 2011 DCLG research paper by Turner Morum, which suggested that £200,000 per gross acre was a reasonable incentive to release greenfield land.

We have concluded that whilst available guidance appears to promote a EUV+20% uplift as being a reasonable premium to release land, it is our opinion that this is not reasonable in respect of farmland. The hypothetical farmer has to cease their livelihood, relocate and pay substantial taxes. In our view the hypothetical land owner would not do this for an uplift of £2,250 per acre as suggested by the GVA report.

The subject site comprises 64.41 acres of allocated land of which 60 acres is assumed to be in agricultural use. The allocation itself increases the site's value above EUV and therefore we believe that an appropriate multiplier to incentivise a land owner to dispose of the site would be in excess of 20x EUV.

We have assumed a BLV of £200,000 per gross acre.

We have been provided with a summary of the HIF assessment carried out on behalf of Homes England. This adopted a lower land value of **£0.628 million** in assessing the viability of the scheme for the HIF bid. For reasons detailed above, we do not agree with this BLV.

Factors impacting on the Viability of Oxford North

OCC Officers have asked us to comment on the factors which impact on the scheme's viability at Oxford North, to aid Planning Committee Members' understanding of scheme viability and the factors that affect it.

Having undertaken our viability assessment of the scheme, and also received advice from PJA and C&B which has been shared with OCC, we highlight that there is no particular specific reason which impacts on the development viability at Oxford North. However, there are a range of factors which all impact on scheme viability in various degrees.

These are summarised as follows:

- **Infrastructure requirements** – The Oxford North site comprises a strategic site on the edge of Oxford City, which comprises greenfield agricultural land. Whilst the land is greenfield, there are still a range of infrastructure requirements which we understand are required in order to release the site for development. These are summarised as follows, drawing upon G&T's Cost Plan (although it is noted that these costs have been reviewed by C&B).
 - **Environmental costs (such as Ecology and Archaeology)** - £1,000,000.
 - **Land formation costs** - £4,832,000.
 - **A40 works** - Not applicable, as these will be met by Oxfordshire County Council.
 - **A44 works** - £6,311,000.
 - **On-site roads** - £11,897,000.
 - **Public realm** - £7,784,000.
 - **A44 utilities diversions** - £3,935,000.
 - **Utilities reinforcement** - £2,804,000.
 - **Utilities distribution** - £11,591,000.
 - **Surface water** - £3,390,000.
 - **Foul water** - £2,374,000.
 - **Heat Network (Shared Energy Loop)** - £18,407,000 (albeit that this is now offset by the revenue in the appraisal).
 - **Sustainability (which is for PV to roofs)** - £4,567,000.
 - **Temporary works** - £2,791,000.
 - **Park and Ride** – not applicable.
 - **Total - £81,683,000***

*Note – CIL and S106 contributions/works are on top of this figure

The above represents a mix of infrastructure items, some of which are to be provided 'on-site' and some of which are 'off-site'. We understand that they have been interrogated as far as possible at this stage by C&B, Oxford City Council, Oxford County Council, and PJA, and that the scope of the works have been significantly reduced where agreement has been reached either on a reduced scope, specification or cost. In addition,

other works have been removed from the above list, such as the works to the A40, which we understand are now being met by the Oxfordshire County Council via LEP funding.

Notwithstanding this, the above costs equate to over **£1 million per gross acre**, demonstrating that there is still a significant infrastructure burden which is required to deliver the scheme proposals. In our experience, costs for strategic sites typically range from £100,000 to £500,000 per acre, depending upon the site. These costs however are project specific and each strategic site is different and needs to be separately costed. Mixed use schemes generally require greater infrastructure upgrades such as road junctions and services capacity to deal with peak time usage.

It should also be noted that as part of Phase 1A has been provided in detail (and all other phases are submitted in outline), there is an element of uncertainty as to the infrastructure requirements for later phases. Hence, should this change, this may impact viability in the future.

- **Nature & High Quality of the Scheme and Construction Costs** – The majority of strategic sites provide lower density traditional housing development (and offices in the format of business parks). In contrast, the proposals for Oxford North propose a higher density scheme comprising a mix of commercial and residential uses, and will seek to create a new urban quarter to the city.

There has been significant work interrogating the construction costs between the two respective quantity surveyors, G&T and C&B. This led to a ‘value engineered’ scheme being produced by G&T for the residential element of the proposals with a significantly reduced cost (whilst seeking to maintain a high-quality scheme). These have been audited by C&B who have arrived at slightly lower costs.

Notwithstanding this significant work undertaken, the scheme reflects a bespoke, high quality, mixed use scheme. As a consequence, the costs of construction are higher than more typical developments and this has an impact on the viability of the scheme. The Applicant has sought to try and reflect this in the values that they have applied to both the residential and commercial elements to mitigate the impact of the quality assumed in the Cost Plan.

- **Mixed use development** – The provision of large single block offices at the scheme results in a significant financial burden. The buildings, some of which at 100,000 sq ft, cannot be phased and must be completed before a tenant can move in. There is also a risk that the buildings may stay vacant for a time post completion. When completed and let these buildings are worth a considerable amount however until this point they are a considerable financial burden that impacts negatively on an appraisal. A multi-phase housing or small ‘campus style’ office scheme would provide for a more steady flow of cost vs income and may be more viable, however it would not provide the other benefits that the Applicant and OCC wish to see delivered by the development of this important site.
- **Development Risk** – Given the extent of infrastructure and the bespoke nature of the scheme, which will essentially create a new quarter of the City of a significant scale, the project carries significant risk for the Applicant in terms of its viability and delivery. This is reflected in the profit percentage that we have applied of 20% on cost, which is higher than for more typical schemes where risks are lower. This has an impact on development viability.

Review Mechanism

OCC Officers have also asked us to comment on the potential for a review/clawback mechanism at Oxford North, given that the planning application is submitted in hybrid format, with all other phases aside from part of Phase 1A submitted in outline.

We would advise OCC to agree the viability of planning contributions/affordable housing for detailed phases only at this stage, and for there to be a viability review before each and every reserved matters phase is granted.

The Planning Practice Guidance (PPG) states at **Paragraph 009** (Reference: ID:10-009/20180724) that: *‘Where contributions are reduced below the requirement set out in policies to provide flexibility in the early stages of a development, there should be a clear agreement of how policy compliance can be achieved over time.’* The PPG does not however prescribe a method of how the viability review should be undertaken.

The RICS guidance Financial Viability in Planning (2012) provides further guidance, and promotes a ‘reappraisal’ approach for reviewing the viability of certain schemes. **Paragraph 3.6.4.1** of the guidance states that: *‘Such reappraisals are generally suited to phased schemes over the long term rather than a single phase scheme to be implemented immediately, which requires certainty.’*

The guidance also states that overage (i.e. post development appraisals) are not considered appropriate.

Paragraph 3.6.4.1 confirms that reappraisals should not result in the earlier phases becoming uncertain as to the amount of development that can be provided on the site.

Therefore, we anticipate two options/structures for a review mechanism can be utilised at Oxford North, as follows:

- 1) A review of each and every phase of development prior to each reserved matters. Each phase would essentially be assessed in isolation.
- 2) Reappraisal of the entire scheme (i.e. the remaining development) prior to each and every reserved matters application.

It should be noted that there is no perfect way of reappraising the viability of the scheme, as both methods have their advantages and disadvantages for both from the LPA and Applicant’s perspective.

However, the reappraisal mechanism should seek to capture any additional improvement in the overall viability of the scheme over and above the initial percentage that is agreed for affordable housing for Phase 1A. Any changes to the scheme in the future (such as the extent of public realm envisaged; the extent of infrastructure costs; build quality; and the associated revenues) will all feed into any future reappraisal of the site and therefore whether any additional percentage over and above that agreed for Phase 1A can be achieved.

The most common form of viability review mechanism is to agree a final appraisal between the parties that acts as the benchmark for future reviews. All inputs are fixed aside costs and revenues, which are uplift by an appropriate index at each review. A set profit target is agreed with land value fixed. If the profit target is exceeded at review then viability has increased and the level of affordable housing provision in that phase will go up.

The review will need to be agreed as part of the Section 106.

5 Summary and Conclusions

JLL were instructed by Oxford City Council in **February 2017** to undertake a review of the viability analysis that the Applicant, Thomas White Oxford Ltd (TWO) and their advisor Savills, have prepared in respect of the Oxford North site. Significant viability analysis has been undertaken during this date, with an ongoing exchange of development viability appraisals between the parties, and work in particular to assess the costs of the scheme undertaken by the respective quantity surveying firms.

The planning application has been submitted in hybrid, with all phases submitted in outline other than part of Phase 1A. Therefore, whilst the proposals for Phase 1A are relatively crystallised, the proposals for future phases could change in the future. Our viability appraisal analysis for the scheme assumes that the later phases are delivered in line with the indicative masterplan provided by the Applicant and in line with the specification that they have proposed for Phase 1A.

The Applicant has tested 25% affordable housing in line with OCC's HIF funding bid and Savills (their viability advisors) appraisals generate a developer's return for risk (profit) of **10.67% on cost**, based upon their assumptions and in particular their analysis of the costs of the scheme undertaken by G&T. JLL's viability analysis has been supported by advice received from C&B, and we have undertaken an updated development appraisal to reflect the difference in the assumptions applied. This appraisal generates a profit level of **18.56%** on cost, which is much closer to the 20% level of benchmark of developer's return that we anticipate would be appropriate in the market having regard to a hypothetical developer of the land.

We have also undertaken a range of sensitivity tests to assess the impact of various items on development viability (and hence the ability of the Applicant to deliver 25% affordable housing). These indicate that a commercial level of developer's return is only exceeded if the Benchmark Land Value (BLV) is reduced to the level proposed from **£12.4 million to £0.628 million** (the latter being in line with that proposed by Homes England to review OCC's HIF bid). We do not support this level of BLV as, in our opinion, it would not incentivise a landowner to release the site for development. Notwithstanding this, if it is utilised as the BLV assumption in the appraisal, based upon JLL's sensitivity analysis, approximately 35% affordable housing could be provided. We understand that OCC are taking legal advice on the weight to be attached to HE's proposed land value.

In conclusion, and having reviewed the viability of the scheme, JLL's viability position is that the 25% affordable housing offered at an 80:20 tenure mix is viable based upon our view of BLV.

The Oxford North scheme is of a significant scale and requires a significant amount of both on and off-site infrastructure. We would therefore advise OCC to incorporate a review mechanism of the viability of the remainder of the scheme which should be updated to inform each and every reserved matters application following the part of Phase 1A for which detailed planning permission is sought.

Appendix 1 – C&B’s Updated Analysis



JLL

31 Great George Street
Bristol BS1 5QD
+44 (0)117 927 6691

James Petherick
Director

0117 930 5690
james.petherick@eu.jll.com

About JLL

JLL (NYSE: JLL) is a leading professional services firm that specializes in real estate and investment management. A Fortune 500 company, JLL helps real estate owners, occupiers and investors achieve their business ambitions. In 2016, JLL had revenue of \$6.8 billion and fee revenue of \$5.8 billion and, on behalf of clients, managed 4.4 billion square feet, or 409 million square meters, and completed sales acquisitions and finance transactions of approximately \$136 billion. At year-end 2016, JLL had nearly 300 corporate offices, operations in over 80 countries and a global workforce of more than 77,000. As of December 31, 2016, LaSalle Investment Management has \$60.1 billion of real estate under asset management. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated.

<https://internetadmin.jll.com/united-kingdom/en-gb>

Jones Lang LaSalle

©2018 Jones Lang LaSalle IP, Inc. All rights reserved. All information contained herein is from sources deemed reliable; however, no representation or warranty is made to the accuracy thereof.

JLL SCENARIO 1 Oxford North
Savills Corrected Appraisal 25% Affordable Housing

APPRAISAL SUMMARY**JLL****JLL SCENARIO 1 Oxford North
Savills Corrected Appraisal 25% Affordable Housing****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	210.00	143,366	3,297,420
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	27	25,756	210.00	200,324	5,408,760
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	210.00	238,088	952,350
1C - Affordable Apartments	11	10,493	210.00	200,321	2,203,530
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	210.00	140,700	703,500
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	210.00	236,933	1,895,460

30

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North Savills Corrected Appraisal 25% Affordable Housing

4A - Affordable Apartments	10	9,540	210.00	200,330	2,003,300
Totals	582	495,440			244,565,010

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	32			10	320	320
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

31

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North

Savills Corrected Appraisal 25% Affordable Housing

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

32

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North Savills Corrected Appraisal 25% Affordable Housing

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

33

APPRAISAL SUMMARY**JLL****JLL SCENARIO 1 Oxford North****Savills Corrected Appraisal 25% Affordable Housing**

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 668,471,353

Purchaser's Costs			(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)	

NET DEVELOPMENT VALUE 640,735,112**Additional Revenue**

Energy Loop	3,512,025	
Energy Loop	1,299,100	
Energy Loop	591,800	
Energy Loop	394,900	
Energy Loop	405,900	
Energy Loop	1,622,500	
Energy Loop	2,479,400	
Energy Loop	2,479,400	
Energy Loop	1,872,200	
Energy Loop	1,872,200	
Energy Loop	3,636,600	
HIF Funding	10,000,000	
		30,166,025

NET REALISATION 670,901,137**OUTLAY**

34

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North Savills Corrected Appraisal 25% Affordable Housing

ACQUISITION COSTS

Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Agent Fee	1.00%	124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,737	1,155,000
1F - Car Parking	1 un	1,123,000	1,123,000
2A - Car Parking	1 un	6,564,000	6,564,000
2B - Car Parking	1 un	3,868,000	3,868,000
3A - Car Parking	1 un	1,090,000	1,090,000
3B - Car Parking	1 un	1,244,000	1,244,000
4A - Car Parking	1 un	5,196,000	5,196,000
1E - Car Parking	1 un	1,121,000	<u>1,121,000</u>
Totals			21,361,000

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	220.89	30,495,000
1A - Red Hall	32,549	232.63	7,572,000
1A - Community	5,400	90.19	487,000
1A - Retail	9,877	153.69	1,518,000
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	129.65	439,000
1D - Retail	3,352	119.93	402,000
1F - Workspace	106,163	214.00	22,719,000
1F - Retail	2,224	120.05	267,000
2A - Workspace	108,399	214.02	23,200,000
2B - Workspace	178,980	213.99	38,300,000
2B - Retail	2,662	120.21	320,000
3A - Workspace	153,284	214.00	32,803,000
3A - Retail	3,070	119.87	368,000

35

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North

Savills Corrected Appraisal 25% Affordable Housing

3B - Workspace	81,429	214.00	17,426,000
4A - Workspace	140,829	214.02	30,140,000
4A - Retail	2,287	118.06	270,000
1A - Apartments	60,361	238.75	14,411,250
1A - Affordable Apartments	20,120	238.75	4,803,758
1B - Houses	46,484	220.00	10,226,491
1B - Apartments	98,701	220.00	21,714,288
1B - Affordable Houses	15,873	220.00	3,492,060
1B - Affordable Apartments	33,311	220.00	7,328,401
1C - Houses	13,605	220.00	2,993,100
1C - Apartments	38,247	220.00	8,414,256
1C - Affordable Houses	4,535	220.00	997,700
1C - Affordable Apartments	13,571	220.00	2,985,592
1D - Apartments	33,312	220.00	7,328,640
1D - Affordable Apartments	11,103	220.00	2,442,706
1E - Hotel	71,322	260.00	18,544,000
1F - Apartments	12,133	220.00	2,669,162
1F - Affordable Apartments	3,466	220.00	762,545
2A - Apartments	12,999	220.00	2,859,780
2A - Affordable Apartments	4,333	220.00	953,182
2B - Apartments	12,999	220.00	2,859,780
2B - Affordable Apartments	4,333	220.00	953,182
4A - Houses	27,078	220.00	5,957,160
4A - Apartments	39,481	220.00	8,685,766
4A - Affordable Houses	9,026	220.00	1,985,720
4A - Affordable Apartments	<u>12,338</u>	220.00	<u>2,714,298</u>
Totals	1,578,375		344,096,817 365,457,817
Contingency			26,196,000
1A - Infrastructure			15,597,750
1B - Infrastructure			7,654,000
1B - Logistics			641,000
1C - Infrastructure			4,244,100
1C - Logistics			230,000

36

APPRAISAL SUMMARY**JLL****JLL SCENARIO 1 Oxford North****Savills Corrected Appraisal 25% Affordable Housing**

1D - Infrastructure		2,139,250
1D - Logistics		153,000
1E - Infrastructure		1,352,350
1E - Logistics		295,000
1F - Infrastructure		5,235,250
1F - Logistics		410,000
2A - Infrastructure		7,333,650
2A - Logistics		500,000
2B - Infrastructure		7,333,650
2B - Logistics		690,000
3A - Infrastructure		11,346,625
3A - Logistics		514,000
3B - Infrastructure		11,346,625
3B - Logistics		280,000
4A - Infrastructure		13,854,600
4A - Logistics		820,000
CIL		5,283,913
		123,450,763

PROFESSIONAL FEES

Other Professionals	10.00%	7,776,676
Other Professionals	10.00%	5,105,624
Other Professionals	10.00%	1,986,475
Other Professionals	10.00%	1,246,560
Other Professionals	10.00%	2,131,235
Other Professionals	10.00%	3,318,596
Other Professionals	10.00%	4,141,061
Other Professionals	10.00%	5,432,461
Other Professionals	10.00%	4,612,162
Other Professionals	10.00%	3,029,662
Other Professionals	10.00%	6,962,354
		45,742,867

MARKETING & LETTING

Residential Marketing	1.00%	1,986,832
-----------------------	-------	-----------

APPRAISAL SUMMARY**JLL****JLL SCENARIO 1 Oxford North****Savills Corrected Appraisal 25% Affordable Housing**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	

6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,247,952	
Resi Sales Legal Fee		0.25%	557,663	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	

8,760,516

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	

2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				33,772,846

TOTAL COSTS**600,108,038****PROFIT****70,793,098****Performance Measures**

Profit on Cost%	11.80%
Profit on GDV%	10.59%
Profit on NDV%	11.05%
Development Yield% (on Rent)	4.45%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

APPRAISAL SUMMARY

JLL

JLL SCENARIO 1 Oxford North Savills Corrected Appraisal 25% Affordable Housing

Rent Cover	2 yrs 8 mths
Profit Erosion (finance rate 6.750)	1 yr 8 mths

This page is intentionally left blank

JLL SCENARIO 2 Oxford North
C&B Costs 25% Affordable Housing

APPRAISAL SUMMARY**JLL****JLL SCENARIO 2 Oxford North
C&B Costs 25% Affordable Housing**

Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	210.00	143,366	3,297,420
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	27	25,756	210.00	200,324	5,408,760
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	210.00	238,088	952,350
1C - Affordable Apartments	11	10,493	210.00	200,321	2,203,530
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	210.00	140,700	703,500
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	210.00	236,933	1,895,460

42

APPRAISAL SUMMARY

JLL

JLL SCENARIO 2 Oxford North C&B Costs 25% Affordable Housing

4A - Affordable Apartments	10	9,540	210.00	200,330	2,003,300
Totals	582	495,440			244,565,010

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	32			10	320	320
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

APPRAISAL SUMMARY

JLL

JLL SCENARIO 2 Oxford North

C&B Costs 25% Affordable Housing

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

44

APPRAISAL SUMMARY

JLL

**JLL SCENARIO 2 Oxford North
C&B Costs 25% Affordable Housing**

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

45

APPRAISAL SUMMARY

JLL

**JLL SCENARIO 2 Oxford North
C&B Costs 25% Affordable Housing**

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 668,471,353

Purchaser's Costs			(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)	

NET DEVELOPMENT VALUE 640,735,112

Additional Revenue

Energy Loop	3,612,025
Energy Loop	1,369,304
Energy Loop	616,437
Energy Loop	412,241
Energy Loop	431,792
Energy Loop	1,666,611
Energy Loop	2,523,307
Energy Loop	2,547,718
Energy Loop	1,924,462
Energy Loop	1,905,441
Energy Loop	3,711,142
HIF Funding	10,000,000
	30,720,480

NET REALISATION 671,455,592

OUTLAY

46

APPRAISAL SUMMARY

JLL

JLL SCENARIO 2 Oxford North C&B Costs 25% Affordable Housing

ACQUISITION COSTS

Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Agent Fee	1.00%	124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	<u>1,054,900</u>
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

47

APPRAISAL SUMMARY

JLL

JLL SCENARIO 2 Oxford North C&B Costs 25% Affordable Housing

3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	60,361	251.72	15,193,800
1A - Affordable Apartments	20,120	251.71	5,064,600
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	98,701	211.04	20,830,400
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	33,311	208.45	6,943,500
1C - Houses	13,605	210.34	2,861,700
1C - Apartments	38,247	213.78	8,176,400
1C - Affordable Houses	4,535	210.34	953,900
1C - Affordable Apartments	13,571	200.83	2,725,500
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	12,999	210.22	2,732,600
2B - Affordable Apartments	4,333	210.24	910,900
4A - Houses	27,078	210.31	5,694,800
4A - Apartments	39,481	207.10	8,176,400
4A - Affordable Houses	9,026	210.31	1,898,300
4A - Affordable Apartments	<u>12,338</u>	220.91	<u>2,725,500</u>
Totals	1,578,375		329,105,501 349,206,101
Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900

48

APPRAISAL SUMMARY**JLL****JLL SCENARIO 2 Oxford North
C&B Costs 25% Affordable Housing**

1D - Infrastructure		2,026,100	
1D - Logistics		146,300	
1E - Infrastructure		1,280,900	
1E - Logistics		282,100	
1F - Infrastructure		4,958,300	
1F - Logistics		392,100	
2A - Infrastructure		6,945,700	
2A - Logistics		478,200	
2B - Infrastructure		6,945,700	
2B - Logistics		659,800	
3A - Infrastructure		10,746,500	
3A - Logistics		491,500	
3B - Infrastructure		10,746,500	
3B - Logistics		267,800	
4A - Infrastructure		13,121,700	
4A - Logistics		784,200	
CIL		5,283,913	
			116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450	
Other Professionals	10.00%	4,875,460	
Other Professionals	10.00%	1,895,700	
Other Professionals	10.00%	1,190,170	
Other Professionals	10.00%	2,035,150	
Other Professionals	10.00%	3,167,060	
Other Professionals	10.00%	3,943,030	
Other Professionals	10.00%	5,182,110	
Other Professionals	10.00%	4,398,510	
Other Professionals	10.00%	2,884,940	
Other Professionals	10.00%	6,637,140	
			43,559,720

MARKETING & LETTING

Residential Marketing	1.00%	1,986,832	
-----------------------	-------	-----------	--

49

APPRAISAL SUMMARY**JLL****JLL SCENARIO 2 Oxford North****C&B Costs 25% Affordable Housing**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,247,952	
Resi Sales Legal Fee		0.25%	557,663	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,760,516

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				25,005,480

TOTAL COSTS**566,158,359****PROFIT****105,297,233****Performance Measures**

Profit on Cost%	18.60%
Profit on GDV%	15.75%
Profit on NDV%	16.43%
Development Yield% (on Rent)	4.71%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

APPRAISAL SUMMARY

JLL

JLL SCENARIO 2 Oxford North C&B Costs 25% Affordable Housing

Rent Cover	3 yrs 11 mths
Profit Erosion (finance rate 6.750)	2 yrs 7 mths

This page is intentionally left blank

JLL SCENARIO 3 Oxford North
C&B Costs 25% AH, and JLL Energy Loop Upside

**JLL SCENARIO 3 Oxford North
C&B Costs 25% AH, and JLL Energy Loop Upside**

Appraisal Summary for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	210.00	143,366	3,297,420
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	27	25,756	210.00	200,324	5,408,760
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	210.00	238,088	952,350
1C - Affordable Apartments	11	10,493	210.00	200,321	2,203,530
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	210.00	140,700	703,500
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	210.00	236,933	1,895,460
4A - Affordable Apartments	10	9,540	210.00	200,330	2,003,300
Totals	582	495,440			244,565,010

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	32			10	320	320
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929

1A - Red Hall

JLL SCENARIO 3 Oxford North

C&B Costs 25% AH, and JLL Energy Loop Upside

Market Rent (1yr 6mths Rent Free)	844,338	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	12,894,553
1A - Community					
Market Rent (1yr Rent Free)	74,535	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	1,171,934
1A - Retail					
Market Rent (1yr Rent Free)	240,025	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent (1yr Rent Free)	71,225	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent (1yr 6mths Rent Free)	2,977,887	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	45,477,666
1F - Retail					
Market Rent (1yr Rent Free)	47,250	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704
2A - Workspace					
Market Rent (1yr 6mths Rent Free)	3,040,587	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	46,435,207
2A - Ground Rents					
Current Rent	150	YP @	3.5000%	28.5714	4,286
2A - Commercial Rent					
Manual Value					1,140,220
2B - Workspace					
Market Rent (1yr 6mths Rent Free)	5,020,356	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	76,669,824
2B - Retail					
Market Rent (1yr Rent Free)	64,575	YP @ PV 1yr @	6.0000% 6.0000%	16.6667 0.9434	1,015,330
2B - Ground Rents					
Current Rent	150	YP @	3.5000%	28.5714	4,286
2B - Commercial Rent					
Manual Value					4,393,690
3A - Workspace					
Market Rent (1yr 6mths Rent Free)	4,299,603	YP @ PV 1yr 6mths @	6.0000% 6.0000%	16.6667 0.9163	65,662,635

**JLL SCENARIO 3 Oxford North
C&B Costs 25% AH, and JLL Energy Loop Upside**

3A - Retail					
Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550
3A - Commercial Rent					
Manual Value					3,224,702
3B - Workspace					
Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220
3B - Commercial Rent					
Manual Value					285,512
4A - Workspace					
Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115
4A - Retail					
Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
Total Investment Valuation					423,906,344

GROSS DEVELOPMENT VALUE 668,471,353

Purchaser's Costs		(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)

NET DEVELOPMENT VALUE 640,735,112

Additional Revenue		
Energy Loop		4,382,025
Energy Loop		1,513,222
Energy Loop		666,943
Energy Loop		447,790
Energy Loop		484,871
Energy Loop		1,757,038
Energy Loop		2,613,316
Energy Loop		2,687,769
Energy Loop		2,031,599
Energy Loop		1,973,585
Energy Loop		3,863,952
HIF Funding		10,000,000
		32,422,110

NET REALISATION 673,157,222

OUTLAY

ACQUISITION COSTS			
Fixed Price	12,400,000		
Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Effective Stamp Duty Rate	4.92%		
Agent Fee		124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700

JLL SCENARIO 3 Oxford North

C&B Costs 25% AH, and JLL Energy Loop Upside

2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	<u>1,054,900</u>

Totals **20,100,600**

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900
3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	60,361	251.72	15,193,800
1A - Affordable Apartments	20,120	251.71	5,064,600
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	98,701	211.04	20,830,400
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	33,311	208.45	6,943,500
1C - Houses	13,605	210.34	2,861,700
1C - Apartments	38,247	213.78	8,176,400
1C - Affordable Houses	4,535	210.34	953,900
1C - Affordable Apartments	13,571	200.83	2,725,500
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	12,999	210.22	2,732,600
2B - Affordable Apartments	4,333	210.24	910,900
4A - Houses	27,078	210.31	5,694,800
4A - Apartments	39,481	207.10	8,176,400
4A - Affordable Houses	9,026	210.31	1,898,300
4A - Affordable Apartments	<u>12,338</u>	220.91	<u>2,725,500</u>

Totals **329,105,501**

Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900
1D - Infrastructure			2,026,100
1D - Logistics			146,300
1E - Infrastructure			1,280,900
1E - Logistics			282,100
1F - Infrastructure			4,958,300
1F - Logistics			392,100
2A - Infrastructure			6,945,700
2A - Logistics			478,200
2B - Infrastructure			6,945,700
2B - Logistics			659,800
3A - Infrastructure			10,746,500
3A - Logistics			491,500
3B - Infrastructure			10,746,500
3B - Logistics			267,800
4A - Infrastructure			13,121,700
4A - Logistics			784,200
CIL			5,283,913

465,909,414

**JLL SCENARIO 3 Oxford North
C&B Costs 25% AH, and JLL Energy Loop Upside**

PROFESSIONAL FEES

Other Professionals		10.00%	7,350,450	
Other Professionals		10.00%	4,875,460	
Other Professionals		10.00%	1,895,700	
Other Professionals		10.00%	1,190,170	
Other Professionals		10.00%	2,035,150	
Other Professionals		10.00%	3,167,060	
Other Professionals		10.00%	3,943,030	
Other Professionals		10.00%	5,182,110	
Other Professionals		10.00%	4,398,510	
Other Professionals		10.00%	2,884,940	
Other Professionals		10.00%	6,637,140	
				43,559,720

MARKETING & LETTING

Residential Marketing		1.00%	1,986,832	
Commercial Marketing	151,121 ft ²	1.00	151,121	
Commercial Marketing	571,504 ft ²	1.00	571,504	
Commercail Marketing	154,715 ft ²	1.00	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,247,952	
Resi Sales Legal Fee		0.25%	557,663	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,760,516

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				24,503,675

TOTAL COSTS

565,656,554

PROFIT

107,500,668

Performance Measures

Profit on Cost%	19.00%
Profit on GDV%	16.08%
Profit on NDV%	16.78%
Development Yield% (on Rent)	4.72%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%
Rent Cover	4 yrs
Profit Erosion (finance rate 6.750)	2 yrs 7 mths

JLL SCENARIO 4 Oxford North
C&B Costs 25% Affordable Housing, HIF repaid

APPRAISAL SUMMARY**JLL****JLL SCENARIO 4 Oxford North
C&B Costs 25% Affordable Housing, HIF repaid****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	210.00	143,366	3,297,420
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	27	25,756	210.00	200,324	5,408,760
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	210.00	238,088	952,350
1C - Affordable Apartments	11	10,493	210.00	200,321	2,203,530
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	210.00	140,700	703,500
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	210.00	236,933	1,895,460

60

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

4A - Affordable Apartments	<u>10</u>	<u>9,540</u>	210.00	200,330	<u>2,003,300</u>
Totals	582	495,440			244,565,010

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

61

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

62

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

63

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 668,471,353

Purchaser's Costs		(27,736,242)	
Effective Purchaser's Costs Rate	6.54%	(27,736,242)	

NET DEVELOPMENT VALUE 640,735,112

Additional Revenue

Energy Loop	3,612,025	
Energy Loop	1,369,304	
Energy Loop	616,437	
Energy Loop	412,241	
Energy Loop	431,792	
Energy Loop	1,666,611	
Energy Loop	2,523,307	
Energy Loop	2,547,718	
Energy Loop	1,924,462	
Energy Loop	1,905,441	
Energy Loop	3,711,142	
HIF Funding	10,000,000	
		30,720,480

NET REALISATION 671,455,592

OUTLAY

64

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North C&B Costs 25% Affordable Housing, HIF repaid

ACQUISITION COSTS

Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Agent Fee	1.00%	124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	1,054,900
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

65

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

3B - Workspace	81,429	204.65	16,664,500	
4A - Workspace	140,829	204.67	28,822,900	
4A - Retail	2,287	112.90	258,200	
1A - Apartments	60,361	251.72	15,193,800	
1A - Affordable Apartments	20,120	251.71	5,064,600	
1B - Houses	46,484	211.66	9,838,900	
1B - Apartments	98,701	211.04	20,830,400	
1B - Affordable Houses	15,873	206.62	3,279,600	
1B - Affordable Apartments	33,311	208.45	6,943,500	
1C - Houses	13,605	210.34	2,861,700	
1C - Apartments	38,247	213.78	8,176,400	
1C - Affordable Houses	4,535	210.34	953,900	
1C - Affordable Apartments	13,571	200.83	2,725,500	
1D - Apartments	33,312	210.40	7,008,700	
1D - Affordable Apartments	11,103	210.41	2,336,200	
1E - Hotel	71,322	248.64	17,733,600	
1F - Apartments	12,133	202.88	2,461,500	
1F - Affordable Apartments	3,466	236.72	820,500	
2A - Apartments	12,999	210.22	2,732,600	
2A - Affordable Apartments	4,333	210.24	910,900	
2B - Apartments	12,999	210.22	2,732,600	
2B - Affordable Apartments	4,333	210.24	910,900	
4A - Houses	27,078	210.31	5,694,800	
4A - Apartments	39,481	207.10	8,176,400	
4A - Affordable Houses	9,026	210.31	1,898,300	
4A - Affordable Apartments	<u>12,338</u>	220.91	<u>2,725,500</u>	
Totals	1,578,375		329,105,501	349,206,101
Contingency			25,028,300	
1A - Infrastructure			14,016,000	
1B - Infrastructure			7,249,200	
1B - Logistics			613,000	
1C - Infrastructure			4,019,600	
1C - Logistics			219,900	

99

APPRAISAL SUMMARY**JLL****JLL SCENARIO 4 Oxford North****C&B Costs 25% Affordable Housing, HIF repaid**

1D - Infrastructure	2,026,100
1D - Logistics	146,300
1E - Infrastructure	1,280,900
1E - Logistics	282,100
1F - Infrastructure	4,958,300
1F - Logistics	392,100
2A - Infrastructure	6,945,700
2A - Logistics	478,200
2B - Infrastructure	6,945,700
2B - Logistics	659,800
3A - Infrastructure	10,746,500
3A - Logistics	491,500
3B - Infrastructure	10,746,500
3B - Logistics	267,800
4A - Infrastructure	13,121,700
4A - Logistics	784,200
CIL	5,283,913
HIF repayment	10,000,000
	126,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,875,460
Other Professionals	10.00%	1,895,700
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,110
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,637,140
		43,559,720

MARKETING & LETTING

APPRAISAL SUMMARY**JLL****JLL SCENARIO 4 Oxford North****C&B Costs 25% Affordable Housing, HIF repaid**

Residential Marketing		1.00%	1,986,832	
Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,247,952	
Resi Sales Legal Fee		0.25%	557,663	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,760,516

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				25,005,480

TOTAL COSTS**576,158,359****PROFIT****95,297,233****Performance Measures**

Profit on Cost%	16.54%
Profit on GDV%	14.26%
Profit on NDV%	14.87%
Development Yield% (on Rent)	4.63%
Equivalent Yield% (Nominal)	6.00%

APPRAISAL SUMMARY

JLL

JLL SCENARIO 4 Oxford North

C&B Costs 25% Affordable Housing, HIF repaid

Equivalent Yield% (True) 6.23%

Rent Cover 3 yrs 7 mths

Profit Erosion (finance rate 6.750) 2 yrs 3 mths

This page is intentionally left blank

JLL SCENARIO 5 Oxford North
C&B Costs 25% Affordable Housing - altered 70/30 mix

APPRAISAL SUMMARY**JLL****JLL SCENARIO 5 Oxford North****C&B Costs 25% Affordable Housing - altered 70/30 mix****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	286.00	195,251	4,490,772
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	286.00	324,263	4,539,678
1B - Affordable Apartments	27	25,756	286.00	272,823	7,366,216
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	286.00	324,253	1,297,010
1C - Affordable Apartments	11	10,493	286.00	272,818	3,000,998
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	286.00	272,812	2,455,310
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	286.00	191,620	766,480
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	286.00	191,620	958,100
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	286.00	191,620	958,100
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	286.00	322,680	2,581,436

72

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

4A - Affordable Apartments	<u>10</u>	<u>9,540</u>	286.00	272,830	<u>2,728,304</u>
Totals	582	495,440			252,840,614

Rental Area Summary

	Units	ft ²	Rent Rate ft ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

74

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

75

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 676,746,957

Purchaser's Costs		(27,736,242)	
Effective Purchaser's Costs Rate	6.54%	(27,736,242)	

NET DEVELOPMENT VALUE 649,010,716

Additional Revenue

Energy Loop	3,612,025	
Energy Loop	1,369,304	
Energy Loop	616,437	
Energy Loop	412,241	
Energy Loop	431,792	
Energy Loop	1,666,611	
Energy Loop	2,523,307	
Energy Loop	2,547,718	
Energy Loop	1,924,462	
Energy Loop	1,905,441	
Energy Loop	3,711,142	
HIF Funding	10,000,000	
		30,720,480

NET REALISATION 679,731,196

OUTLAY

76

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

ACQUISITION COSTS

Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Agent Fee	1.00%	124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	<u>1,054,900</u>
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

3B - Workspace	81,429	204.65	16,664,500	
4A - Workspace	140,829	204.67	28,822,900	
4A - Retail	2,287	112.90	258,200	
1A - Apartments	60,361	251.72	15,193,800	
1A - Affordable Apartments	20,120	251.71	5,064,600	
1B - Houses	46,484	211.66	9,838,900	
1B - Apartments	98,701	211.04	20,830,400	
1B - Affordable Houses	15,873	206.62	3,279,600	
1B - Affordable Apartments	33,311	208.45	6,943,500	
1C - Houses	13,605	210.34	2,861,700	
1C - Apartments	38,247	213.78	8,176,400	
1C - Affordable Houses	4,535	210.34	953,900	
1C - Affordable Apartments	13,571	200.83	2,725,500	
1D - Apartments	33,312	210.40	7,008,700	
1D - Affordable Apartments	11,103	210.41	2,336,200	
1E - Hotel	71,322	248.64	17,733,600	
1F - Apartments	12,133	202.88	2,461,500	
1F - Affordable Apartments	3,466	236.72	820,500	
2A - Apartments	12,999	210.22	2,732,600	
2A - Affordable Apartments	4,333	210.24	910,900	
2B - Apartments	12,999	210.22	2,732,600	
2B - Affordable Apartments	4,333	210.24	910,900	
4A - Houses	27,078	210.31	5,694,800	
4A - Apartments	39,481	207.10	8,176,400	
4A - Affordable Houses	9,026	210.31	1,898,300	
4A - Affordable Apartments	<u>12,338</u>	220.91	<u>2,725,500</u>	
Totals	1,578,375		329,105,501	349,206,101
Contingency			25,028,300	
1A - Infrastructure			14,016,000	
1B - Infrastructure			7,249,200	
1B - Logistics			613,000	
1C - Infrastructure			4,019,600	
1C - Logistics			219,900	

78

APPRAISAL SUMMARY**JLL****JLL SCENARIO 5 Oxford North****C&B Costs 25% Affordable Housing - altered 70/30 mix**

1D - Infrastructure		2,026,100
1D - Logistics		146,300
1E - Infrastructure		1,280,900
1E - Logistics		282,100
1F - Infrastructure		4,958,300
1F - Logistics		392,100
2A - Infrastructure		6,945,700
2A - Logistics		478,200
2B - Infrastructure		6,945,700
2B - Logistics		659,800
3A - Infrastructure		10,746,500
3A - Logistics		491,500
3B - Infrastructure		10,746,500
3B - Logistics		267,800
4A - Infrastructure		13,121,700
4A - Logistics		784,200
CIL		5,283,913
		116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,875,460
Other Professionals	10.00%	1,895,700
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,110
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,637,140
		43,559,720

MARKETING & LETTING

Residential Marketing	1.00%	1,986,832
-----------------------	-------	-----------

79

APPRAISAL SUMMARY**JLL****JLL SCENARIO 5 Oxford North****C&B Costs 25% Affordable Housing - altered 70/30 mix**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,330,708	
Resi Sales Legal Fee		0.25%	578,352	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,863,961

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				21,847,718

TOTAL COSTS**563,104,042****PROFIT****116,627,154****Performance Measures**

Profit on Cost%	20.71%
Profit on GDV%	17.23%
Profit on NDV%	17.97%
Development Yield% (on Rent)	4.74%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

APPRAISAL SUMMARY

JLL

JLL SCENARIO 5 Oxford North

C&B Costs 25% Affordable Housing - altered 70/30 mix

Rent Cover	4 yrs 4 mths
Profit Erosion (finance rate 6.750)	2 yrs 10 mths

This page is intentionally left blank

JLL SCENARIO 6 Oxford North
C&B Costs --- Homes England BLV

83

Development Appraisal
JLL
09 August 2019

APPRAISAL SUMMARY**JLL****JLL SCENARIO 6 Oxford North
C&B Costs --- Homes England BLV****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	69	47,105	636.23	434,348	29,970,000
1A - Affordable Apartments	23	15,702	210.00	143,366	3,297,420
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	80	76,316	576.50	549,953	43,996,262
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	27	25,756	210.00	200,324	5,408,760
1C - Houses	12	13,605	622.11	705,313	8,463,750
1C - Apartments	31	29,573	584.79	557,857	17,293,571
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	4	4,535	210.00	238,088	952,350
1C - Affordable Apartments	11	10,493	210.00	200,321	2,203,530
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	15	10,051	651.44	436,500	6,547,500
2B - Affordable Apartments	5	3,350	210.00	140,700	703,500
4A - Houses	24	27,078	624.31	704,375	16,905,000
4A - Apartments	32	30,526	574.18	547,738	17,527,619
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	8	9,026	210.00	236,933	1,895,460

84

APPRAISAL SUMMARY

JLL

**JLL SCENARIO 6 Oxford North
C&B Costs --- Homes England BLV**

4A - Affordable Apartments	<u>10</u>	<u>9,540</u>	210.00	200,330	<u>2,003,300</u>
Totals	582	495,440			244,565,010

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

85

APPRAISAL SUMMARY

JLL

JLL SCENARIO 6 Oxford North C&B Costs --- Homes England BLV

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

98

APPRAISAL SUMMARY

JLL

**JLL SCENARIO 6 Oxford North
C&B Costs --- Homes England BLV**

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

87

APPRAISAL SUMMARY**JLL****JLL SCENARIO 6 Oxford North****C&B Costs --- Homes England BLV**

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE**668,471,353**

Purchaser's Costs			(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)	

NET DEVELOPMENT VALUE**640,735,112****Additional Revenue**

Energy Loop	3,612,025
Energy Loop	1,369,304
Energy Loop	616,437
Energy Loop	412,241
Energy Loop	431,792
Energy Loop	1,666,611
Energy Loop	2,523,307
Energy Loop	2,547,718
Energy Loop	1,924,462
Energy Loop	1,905,441
Energy Loop	3,711,142
HIF Funding	10,000,000
	30,720,480

NET REALISATION**671,455,592****OUTLAY**

APPRAISAL SUMMARY

JLL

JLL SCENARIO 6 Oxford North C&B Costs --- Homes England BLV

ACQUISITION COSTS

Fixed Price		628,800	
			628,800
Stamp Duty		20,940	
Agent Fee	1.00%	6,288	
Legal Fee	0.25%	1,572	
			28,800

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	1,054,900
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

68

APPRAISAL SUMMARY

JLL

JLL SCENARIO 6 Oxford North C&B Costs --- Homes England BLV

06

3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	60,361	251.72	15,193,800
1A - Affordable Apartments	20,120	251.71	5,064,600
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	98,701	211.04	20,830,400
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	33,311	208.45	6,943,500
1C - Houses	13,605	210.34	2,861,700
1C - Apartments	38,247	213.78	8,176,400
1C - Affordable Houses	4,535	210.34	953,900
1C - Affordable Apartments	13,571	200.83	2,725,500
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	12,999	210.22	2,732,600
2B - Affordable Apartments	4,333	210.24	910,900
4A - Houses	27,078	210.31	5,694,800
4A - Apartments	39,481	207.10	8,176,400
4A - Affordable Houses	9,026	210.31	1,898,300
4A - Affordable Apartments	<u>12,338</u>	220.91	<u>2,725,500</u>
Totals	1,578,375		329,105,501 349,206,101
Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900

APPRAISAL SUMMARY**JLL****JLL SCENARIO 6 Oxford North
C&B Costs --- Homes England BLV**

1D - Infrastructure		2,026,100
1D - Logistics		146,300
1E - Infrastructure		1,280,900
1E - Logistics		282,100
1F - Infrastructure		4,958,300
1F - Logistics		392,100
2A - Infrastructure		6,945,700
2A - Logistics		478,200
2B - Infrastructure		6,945,700
2B - Logistics		659,800
3A - Infrastructure		10,746,500
3A - Logistics		491,500
3B - Infrastructure		10,746,500
3B - Logistics		267,800
4A - Infrastructure		13,121,700
4A - Logistics		784,200
CIL		5,283,913
		116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,875,460
Other Professionals	10.00%	1,895,700
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,110
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,637,140
		43,559,720

MARKETING & LETTING

Residential Marketing	1.00%	1,986,832
-----------------------	-------	-----------

APPRAISAL SUMMARY**JLL****JLL SCENARIO 6 Oxford North****C&B Costs --- Homes England BLV**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,867,729

DISPOSAL FEES

Sales Agent Fee		1.00%	6,247,952	
Resi Sales Legal Fee		0.25%	557,663	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,760,516

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				16,413,016

TOTAL COSTS**545,058,995****PROFIT****126,396,597****Performance Measures**

Profit on Cost%	23.19%
Profit on GDV%	18.91%
Profit on NDV%	19.73%
Development Yield% (on Rent)	4.90%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

APPRAISAL SUMMARY

JLL

JLL SCENARIO 6 Oxford North C&B Costs --- Homes England BLV

Rent Cover	4 yrs 9 mths
Profit Erosion (finance rate 6.750)	3 yrs 1 mth

This page is intentionally left blank

JLL SCENARIO 7 Oxford North
C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 70/30 split****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13****Currency in £****REVENUE**

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	50	34,134	636.23	434,348	21,717,391
1A - Affordable Apartments	42	28,673	286.00	195,251	8,200,540
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	70	66,776	576.50	549,953	38,496,729
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	286.00	324,263	4,539,678
1B - Affordable Apartments	37	35,295	286.00	272,823	10,094,444
1C - Houses	10	11,338	622.11	705,313	7,053,125
1C - Apartments	25	23,849	584.79	557,857	13,946,429
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	6	6,803	286.00	324,253	1,945,515
1C - Affordable Apartments	17	16,216	286.00	272,818	4,637,906
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	286.00	272,812	2,455,310
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	286.00	191,620	766,480
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	286.00	191,620	958,100
2B - Apartments	10	6,701	651.44	436,500	4,365,000
2B - Affordable Apartments	10	6,700	286.00	191,620	1,916,200
4A - Houses	20	22,565	624.31	704,375	14,087,500
4A - Apartments	30	28,619	574.18	547,738	16,432,143
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	12	13,539	286.00	322,680	3,872,154

96

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

4A - Affordable Apartments	<u>12</u>	<u>11,447</u>	286.00	272,830	<u>3,273,965</u>
Totals	582	495,439			239,753,116

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

97

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

86

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

66

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 663,659,460

Purchaser's Costs			(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)	

NET DEVELOPMENT VALUE 635,923,218

Additional Revenue

Energy Loop	3,612,025			
Energy Loop	1,369,304			
Energy Loop	616,437			
Energy Loop	412,241			
Energy Loop	431,792			
Energy Loop	1,666,611			
Energy Loop	2,523,307			
Energy Loop	2,547,718			
Energy Loop	1,924,462			
Energy Loop	1,905,441			
Energy Loop	3,711,142			
HIF Funding	10,000,000			
				30,720,480

NET REALISATION 666,643,698

OUTLAY

100

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

ACQUISITION COSTS

Fixed Price		628,000	
			628,000
Stamp Duty		20,900	
Agent Fee	1.00%	6,280	
Legal Fee	0.25%	1,570	
			28,750

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	1,054,900
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

101

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	43,740	251.72	11,010,000
1A - Affordable Apartments	36,742	251.71	9,248,400
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	86,364	211.04	18,226,600
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	45,648	208.45	9,515,167
1C - Houses	11,338	210.34	2,384,750
1C - Apartments	30,844	213.78	6,593,871
1C - Affordable Houses	6,803	210.34	1,430,850
1C - Affordable Apartments	20,973	200.83	4,212,136
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	8,666	210.22	1,821,733
2B - Affordable Apartments	8,665	210.24	1,821,800
4A - Houses	22,565	210.31	4,745,667
4A - Apartments	37,014	207.10	7,665,375
4A - Affordable Houses	13,539	210.31	2,847,450
4A - Affordable Apartments	<u>14,805</u>	220.91	<u>3,270,600</u>
Totals	1,578,374		329,011,600 349,112,200
Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900

102

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 70/30 split**

1D - Infrastructure		2,026,100
1D - Logistics		146,300
1E - Infrastructure		1,280,900
1E - Logistics		282,100
1F - Infrastructure		4,958,300
1F - Logistics		392,100
2A - Infrastructure		6,945,700
2A - Logistics		478,200
2B - Infrastructure		6,945,700
2B - Logistics		659,800
3A - Infrastructure		10,746,500
3A - Logistics		491,500
3B - Infrastructure		10,746,500
3B - Logistics		267,800
4A - Infrastructure		13,121,700
4A - Logistics		784,200
CIL		5,283,913
		116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,872,247
Other Professionals	10.00%	1,886,111
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,113
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,640,549
		43,550,330

MARKETING & LETTING

Residential Marketing	1.00%	1,740,778
-----------------------	-------	-----------

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 70/30 split**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,621,675

DISPOSAL FEES

Sales Agent Fee		1.00%	6,199,834	
Resi Sales Legal Fee		0.25%	545,633	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,700,367

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				15,462,344

TOTAL COSTS**543,697,979****PROFIT****122,945,719****Performance Measures**

Profit on Cost%	22.61%
Profit on GDV%	18.53%
Profit on NDV%	19.33%
Development Yield% (on Rent)	4.91%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

104

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 70/30 split

Rent Cover	4 yrs 7 mths
Profit Erosion (finance rate 6.750)	3 yrs 1 mth

105

This page is intentionally left blank

JLL SCENARIO 7 Oxford North
C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
1A - Apartments	50	34,134	636.23	434,348	21,717,391
1A - Affordable Apartments	42	28,673	210.00	143,366	6,021,376
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	70	66,776	576.50	549,953	38,496,729
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	37	35,295	210.00	200,324	7,412,004
1C - Houses	10	11,338	622.11	705,313	7,053,125
1C - Apartments	25	23,849	584.79	557,857	13,946,429
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	6	6,803	210.00	238,088	1,428,525
1C - Affordable Apartments	17	16,216	210.00	200,321	3,405,455
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	10	6,701	651.44	436,500	4,365,000
2B - Affordable Apartments	10	6,700	210.00	140,700	1,407,000
4A - Houses	20	22,565	624.31	704,375	14,087,500
4A - Apartments	30	28,619	574.18	547,738	16,432,143
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	12	13,539	210.00	236,933	2,843,190

108

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

4A - Affordable Apartments	<u>12</u>	<u>11,447</u>	210.00	200,330	<u>2,403,960</u>
Totals	582	495,439			228,416,815

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

109

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

110

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

111

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 652,323,159

Purchaser's Costs			(27,736,242)	
Effective Purchaser's Costs Rate	6.54%		(27,736,242)	

NET DEVELOPMENT VALUE 624,586,917

Additional Revenue

Energy Loop	3,612,025	
Energy Loop	1,369,304	
Energy Loop	616,437	
Energy Loop	412,241	
Energy Loop	431,792	
Energy Loop	1,666,611	
Energy Loop	2,523,307	
Energy Loop	2,547,718	
Energy Loop	1,924,462	
Energy Loop	1,905,441	
Energy Loop	3,711,142	
HIF Funding	10,000,000	
		30,720,480

NET REALISATION 655,307,397

OUTLAY

112

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

ACQUISITION COSTS

Fixed Price		628,800	
			628,800
Stamp Duty		20,940	
Agent Fee	1.00%	6,288	
Legal Fee	0.25%	1,572	
			28,800

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	1,054,900
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	43,740	251.72	11,010,000
1A - Affordable Apartments	36,742	251.71	9,248,400
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	86,364	211.04	18,226,600
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	45,648	208.45	9,515,167
1C - Houses	11,338	210.34	2,384,750
1C - Apartments	30,844	213.78	6,593,871
1C - Affordable Houses	6,803	210.34	1,430,850
1C - Affordable Apartments	20,973	200.83	4,212,136
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	8,666	210.22	1,821,733
2B - Affordable Apartments	8,665	210.24	1,821,800
4A - Houses	22,565	210.31	4,745,667
4A - Apartments	37,014	207.10	7,665,375
4A - Affordable Houses	13,539	210.31	2,847,450
4A - Affordable Apartments	<u>14,805</u>	220.91	<u>3,270,600</u>
Totals	1,578,374		329,011,600 349,112,200
Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900

114

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 80/20 split**

1D - Infrastructure	2,026,100
1D - Logistics	146,300
1E - Infrastructure	1,280,900
1E - Logistics	282,100
1F - Infrastructure	4,958,300
1F - Logistics	392,100
2A - Infrastructure	6,945,700
2A - Logistics	478,200
2B - Infrastructure	6,945,700
2B - Logistics	659,800
3A - Infrastructure	10,746,500
3A - Logistics	491,500
3B - Infrastructure	10,746,500
3B - Logistics	267,800
4A - Infrastructure	13,121,700
4A - Logistics	784,200
CIL	5,283,913
	116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,872,247
Other Professionals	10.00%	1,886,111
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,113
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,640,549
		43,550,330

MARKETING & LETTING

Residential Marketing	1.00%	1,740,778
-----------------------	-------	-----------

115

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 80/20 split**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,621,675

DISPOSAL FEES

Sales Agent Fee		1.00%	6,086,471	
Resi Sales Legal Fee		0.25%	517,292	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,558,664

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				19,312,720

TOTAL COSTS**547,407,502****PROFIT****107,899,895****Performance Measures**

Profit on Cost%	19.71%
Profit on GDV%	16.54%
Profit on NDV%	17.28%
Development Yield% (on Rent)	4.88%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

116

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- Homes England BLV -- 35% aff, 80/20 split

Rent Cover	4 yrs 1 mth
Profit Erosion (finance rate 6.750)	2 yrs 8 mths

117

This page is intentionally left blank

JLL SCENARIO 7 Oxford North
C&B Costs --- JLL BLV -- 35% aff, 80/20 split

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- JLL BLV -- 35% aff, 80/20 split****Summary Appraisal for Merged Phases 1 2 3 4 5 6 7 8 9 10 11 12 13**

Currency in £

REVENUE

Sales Valuation	Units	ft²	Sales Rate ft²	Unit Price	Gross Sales
1A - Apartments	50	34,134	636.23	434,348	21,717,391
1A - Affordable Apartments	42	28,673	210.00	143,366	6,021,376
1B - Houses	41	46,484	651.49	738,636	30,284,091
1B - Apartments	70	66,776	576.50	549,953	38,496,729
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330
1B - Affordable Apartments	37	35,295	210.00	200,324	7,412,004
1C - Houses	10	11,338	622.11	705,313	7,053,125
1C - Apartments	25	23,849	584.79	557,857	13,946,429
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	6	6,803	210.00	238,088	1,428,525
1C - Affordable Apartments	17	16,216	210.00	200,321	3,405,455
1D - Apartments	27	25,757	582.81	555,972	15,011,250
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	14	9,381	654.17	438,333	6,136,667
1F - Affordable Apartments	4	2,680	210.00	140,700	562,800
2A - Apartments	15	10,051	651.44	436,500	6,547,500
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	5	3,350	210.00	140,700	703,500
2B - Apartments	10	6,701	651.44	436,500	4,365,000
2B - Affordable Apartments	10	6,700	210.00	140,700	1,407,000
4A - Houses	20	22,565	624.31	704,375	14,087,500
4A - Apartments	30	28,619	574.18	547,738	16,432,143
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	12	13,539	210.00	236,933	2,843,190

120

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

4A - Affordable Apartments	<u>12</u>	<u>11,447</u>	210.00	200,330	<u>2,403,960</u>
Totals	582	495,439			228,416,815

Rental Area Summary

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
1A - Workspace	1	110,965	33.00	3,661,845	3,661,845	3,661,845
1A - Red Hall	1	25,586	33.00	844,338	844,338	844,338
1A - Community	1	4,969	15.00	74,535	74,535	74,535
1A - Retail	1	9,601	25.00	240,025	240,025	240,025
1A - Ground Rents	69			10	690	690
1A - Basement Car Parking	1	7,696		0	0	
1A - Bike Store	1	3,386		0	0	
1B - Ground Rents	80			10	800	800
1C - Ground Rents	31			10	310	310
1D - Retail	1	2,849	25.00	71,225	71,225	71,225
1D - Ground Rents	27			10	270	270
1F - Workspace	1	90,239	33.00	2,977,887	2,977,887	2,977,887
1F - Retail	1	1,890	25.00	47,250	47,250	47,250
1F - Ground Rents	13			10	130	130
2A - Workspace	1	92,139	33.00	3,040,587	3,040,587	3,040,587
2A - Ground Rents	15			10	150	150
2B - Workspace	1	152,132	33.00	5,020,356	5,020,356	5,020,356
2B - Retail	1	2,583	25.00	64,575	64,575	64,575
2B - Ground Rents	15			10	150	150
3A - Workspace	1	130,291	33.00	4,299,603	4,299,603	4,299,603
3A - Retail	1	2,609	25.00	65,225	65,225	65,225
3B - Workspace	1	69,215	33.00	2,284,095	2,284,095	2,284,095
4A - Workspace	1	119,704	33.00	3,950,232	3,950,232	3,950,232
4A - Retail	1	1,944	25.00	48,600	48,600	48,600
4A - Ground Rents	<u>32</u>			10	<u>320</u>	<u>320</u>
Totals	299	827,798			26,693,198	26,693,198

Investment Valuation

1A - Workspace

121

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

Market Rent	3,661,845	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	55,922,929
1A - Red Hall					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
1A - Community					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
1A - Retail					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
1A - Ground Rents					
Current Rent	690	YP @	3.5000%	28.5714	19,714
1A - Commercial Rent					
Manual Value					2,816,364
1B - Ground Rents					
Current Rent	800	YP @	3.5000%	28.5714	22,857
1C - Ground Rents					
Current Rent	310	YP @	3.5000%	28.5714	8,857
1D - Retail					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
1D - Ground Rents					
Current Rent	270	YP @	3.5000%	28.5714	7,714
1F - Workspace					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
1F - Retail					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
1F - Ground Rents					
Current Rent	130	YP @	3.5000%	28.5714	3,714
1F - Commercial Rent					
Manual Value					1,116,704

122

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

2A - Workspace

Market Rent	3,040,587	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,435,207

2A - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2A - Commercial Rent

Manual Value					1,140,220
--------------	--	--	--	--	-----------

2B - Workspace

Market Rent	5,020,356	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	76,669,824

2B - Retail

Market Rent	64,575	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,015,330

2B - Ground Rents

Current Rent	150	YP @	3.5000%	28.5714	4,286
--------------	-----	------	---------	---------	-------

2B - Commercial Rent

Manual Value					4,393,690
--------------	--	--	--	--	-----------

3A - Workspace

Market Rent	4,299,603	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	65,662,635

3A - Retail

Market Rent	65,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,025,550

3A - Commercial Rent

Manual Value					3,224,702
--------------	--	--	--	--	-----------

3B - Workspace

Market Rent	2,284,095	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	34,882,220

3B - Commercial Rent

Manual Value					285,512
--------------	--	--	--	--	---------

4A - Workspace

Market Rent	3,950,232	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	60,327,115

4A - Retail

123

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

Market Rent	48,600	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	764,151
4A - Commercial Rent					
Manual Value					2,962,674
4A - Ground Rents					
Current Rent	320	YP @	3.5000%	28.5714	9,143
					423,906,344

GROSS DEVELOPMENT VALUE 652,323,159

Purchaser's Costs		(27,736,242)	
Effective Purchaser's Costs Rate	6.54%	(27,736,242)	

NET DEVELOPMENT VALUE 624,586,917

Additional Revenue

Energy Loop	3,612,025	
Energy Loop	1,369,304	
Energy Loop	616,437	
Energy Loop	412,241	
Energy Loop	431,792	
Energy Loop	1,666,611	
Energy Loop	2,523,307	
Energy Loop	2,547,718	
Energy Loop	1,924,462	
Energy Loop	1,905,441	
Energy Loop	3,711,142	
HIF Funding	10,000,000	
		30,720,480

NET REALISATION 655,307,397

OUTLAY

124

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North C&B Costs --- JLL BLV -- 35% aff, 80/20 split

ACQUISITION COSTS

Fixed Price		12,400,000	
			12,400,000
Stamp Duty		609,500	
Agent Fee	1.00%	124,000	
Legal Fee	0.25%	31,000	
			764,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
1A - Temp Car Parking	422 un	2,575	1,086,800
1F - Car Parking	1 un	1,056,700	1,056,700
2A - Car Parking	1 un	6,176,700	6,176,700
2B - Car Parking	1 un	3,639,800	3,639,800
3A - Car Parking	1 un	1,025,700	1,025,700
3B - Car Parking	1 un	1,170,600	1,170,600
4A - Car Parking	1 un	4,889,400	4,889,400
1E - Car Parking	1 un	1,054,900	<u>1,054,900</u>
Totals			20,100,600

	ft ²	Build Rate ft ²	Cost
1A - Workspace	138,058	213.20	29,434,400
1A - Red Hall	32,549	214.05	6,967,000
1A - Community	5,400	7.15	38,600
1A - Retail	9,877	0.00	1
1A - Basement Car Parking	7,696	167.36	1,288,000
1A - Bike Store	3,386	122.65	415,300
1D - Retail	3,352	114.68	384,400
1F - Workspace	106,163	204.65	21,726,200
1F - Retail	2,224	114.79	255,300
2A - Workspace	108,399	204.67	22,186,200
2B - Workspace	178,980	204.64	36,626,300
2B - Retail	2,662	114.95	306,000
3A - Workspace	153,284	204.65	31,369,500
3A - Retail	3,070	114.63	351,900

125

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

3B - Workspace	81,429	204.65	16,664,500
4A - Workspace	140,829	204.67	28,822,900
4A - Retail	2,287	112.90	258,200
1A - Apartments	43,740	251.72	11,010,000
1A - Affordable Apartments	36,742	251.71	9,248,400
1B - Houses	46,484	211.66	9,838,900
1B - Apartments	86,364	211.04	18,226,600
1B - Affordable Houses	15,873	206.62	3,279,600
1B - Affordable Apartments	45,648	208.45	9,515,167
1C - Houses	11,338	210.34	2,384,750
1C - Apartments	30,844	213.78	6,593,871
1C - Affordable Houses	6,803	210.34	1,430,850
1C - Affordable Apartments	20,973	200.83	4,212,136
1D - Apartments	33,312	210.40	7,008,700
1D - Affordable Apartments	11,103	210.41	2,336,200
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	12,133	202.88	2,461,500
1F - Affordable Apartments	3,466	236.72	820,500
2A - Apartments	12,999	210.22	2,732,600
2A - Affordable Apartments	4,333	210.24	910,900
2B - Apartments	8,666	210.22	1,821,733
2B - Affordable Apartments	8,665	210.24	1,821,800
4A - Houses	22,565	210.31	4,745,667
4A - Apartments	37,014	207.10	7,665,375
4A - Affordable Houses	13,539	210.31	2,847,450
4A - Affordable Apartments	<u>14,805</u>	220.91	<u>3,270,600</u>
Totals	1,578,374		329,011,600 349,112,200
Contingency			25,028,300
1A - Infrastructure			14,016,000
1B - Infrastructure			7,249,200
1B - Logistics			613,000
1C - Infrastructure			4,019,600
1C - Logistics			219,900

126

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- JLL BLV -- 35% aff, 80/20 split**

1D - Infrastructure		2,026,100
1D - Logistics		146,300
1E - Infrastructure		1,280,900
1E - Logistics		282,100
1F - Infrastructure		4,958,300
1F - Logistics		392,100
2A - Infrastructure		6,945,700
2A - Logistics		478,200
2B - Infrastructure		6,945,700
2B - Logistics		659,800
3A - Infrastructure		10,746,500
3A - Logistics		491,500
3B - Infrastructure		10,746,500
3B - Logistics		267,800
4A - Infrastructure		13,121,700
4A - Logistics		784,200
CIL		5,283,913
		116,703,313

PROFESSIONAL FEES

Other Professionals	10.00%	7,350,450
Other Professionals	10.00%	4,872,247
Other Professionals	10.00%	1,886,111
Other Professionals	10.00%	1,190,170
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,167,060
Other Professionals	10.00%	3,943,030
Other Professionals	10.00%	5,182,113
Other Professionals	10.00%	4,398,510
Other Professionals	10.00%	2,884,940
Other Professionals	10.00%	6,640,549
		43,550,330

MARKETING & LETTING

Residential Marketing	1.00%	1,740,778
-----------------------	-------	-----------

APPRAISAL SUMMARY**JLL****JLL SCENARIO 7 Oxford North****C&B Costs --- JLL BLV -- 35% aff, 80/20 split**

Commercial Marketing	151,121 ft ²	1.00 /ft ²	151,121	
Commercial Marketing	571,504 ft ²	1.00 /ft ²	571,504	
Commercaill Marketing	154,715 ft ²	1.00 /ft ²	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,621,675

DISPOSAL FEES

Sales Agent Fee		1.00%	6,086,471	
Resi Sales Legal Fee		0.25%	517,292	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,558,664

Additional Costs

Bus Subsidy			2,880,000	
Travel Monitoring			6,000	
TRO			5,000	
				2,891,000

FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Total Finance Cost				28,929,022

TOTAL COSTS**569,530,704****PROFIT****85,776,693****Performance Measures**

Profit on Cost%	15.06%
Profit on GDV%	13.15%
Profit on NDV%	13.73%
Development Yield% (on Rent)	4.69%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

128

APPRAISAL SUMMARY

JLL

JLL SCENARIO 7 Oxford North

C&B Costs --- JLL BLV -- 35% aff, 80/20 split

Rent Cover	3 yrs 3 mths
Profit Erosion (finance rate 6.750)	2 yrs 1 mth

This page is intentionally left blank