

JLL SCENARIO 8 Oxford North  
C&B Costs 50% Affordable Housing

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Development Appraisal  
JLL  
10 September 2019

# APPRAISAL SUMMARY

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## JLL SCENARIO 8 Oxford North C&B Costs 50% 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	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
1A - Apartments	46	31,404	636.23	434,348	19,980,000
1A - Affordable Apartments	46	31,404	210.00	143,366	6,594,840
1B - Houses	28	31,745	651.49	738,636	20,681,818
1B - Apartments	53	50,559	576.50	549,953	29,147,523
1B - Residential Parking	54	0	0.00	15,000	810,000
1B - Affordable Houses	27	30,612	210.00	238,095	6,428,565
1B - Affordable Apartments	54	51,512	210.00	200,324	10,817,520
1C - Houses	8	9,070	622.11	705,313	5,642,500
1C - Apartments	21	20,033	584.79	557,857	11,715,000
1C - Residential Parking	21	0	0.00	15,000	315,000
1C - Affordable Houses	8	9,070	210.00	238,088	1,904,700
1C - Affordable Apartments	21	20,032	210.00	200,321	4,206,739
1D - Apartments	18	17,171	582.81	555,972	10,007,500
1D - Residential Revenue	18	0	0.00	15,000	270,000
1D - Affordable Apartments	18	17,170	210.00	200,317	3,605,700
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000
1F - Apartments	9	6,031	654.17	438,333	3,945,000
1F - Affordable Apartments	9	6,030	210.00	140,700	1,266,300
2A - Apartments	10	6,701	651.44	436,500	4,365,000
2A - Residential Parking	4	0	0.00	15,000	60,000
2A - Affordable Apartments	10	6,700	210.00	140,700	1,407,000
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	16	18,052	624.31	704,375	11,270,000
4A - Apartments	21	20,033	574.18	547,738	11,502,500
4A - Residential Parking	4	0	0.00	15,000	60,000
4A - Affordable Houses	16	18,052	210.00	236,933	3,790,920

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4A - Affordable Apartments	<u>21</u>	<u>20,033</u>	210.00	200,330	<u>4,206,930</u>
<b>Totals</b>	<b>582</b>	<b>495,438</b>			<b>201,273,056</b>

### Rental Area Summary

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	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>
<b>Totals</b>	<b>299</b>	<b>827,798</b>			<b>26,693,198</b>	<b>26,693,198</b>

### Investment Valuation

#### 1A - Workspace

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### C&B Costs 50% 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
<b>1A - Red Hall</b>					
Market Rent	844,338	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	12,894,553
<b>1A - Community</b>					
Market Rent	74,535	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,171,934
<b>1A - Retail</b>					
Market Rent	240,025	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	3,773,978
<b>1A - Ground Rents</b>					
Current Rent	690	YP @	3.5000%	28.5714	19,714
<b>1A - Commercial Rent</b>					
Manual Value					2,816,364
<b>1B - Ground Rents</b>					
Current Rent	800	YP @	3.5000%	28.5714	22,857
<b>1C - Ground Rents</b>					
Current Rent	310	YP @	3.5000%	28.5714	8,857
<b>1D - Retail</b>					
Market Rent	71,225	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,119,890
<b>1D - Ground Rents</b>					
Current Rent	270	YP @	3.5000%	28.5714	7,714
<b>1F - Workspace</b>					
Market Rent	2,977,887	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	45,477,666
<b>1F - Retail</b>					
Market Rent	47,250	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	742,925
<b>1F - Ground Rents</b>					
Current Rent	130	YP @	3.5000%	28.5714	3,714
<b>1F - Commercial Rent</b>					
Manual Value					1,116,704

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### 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
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### 2A - Commercial Rent

Manual Value					1,140,220
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### 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
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### 2B - Commercial Rent

Manual Value					4,393,690
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### 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
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### 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
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### 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

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

**GROSS DEVELOPMENT VALUE** **625,179,399**

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

**NET DEVELOPMENT VALUE** **597,443,158**

### 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** **628,163,638**

### OUTLAY

# APPRAISAL SUMMARY

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## JLL SCENARIO 8 Oxford North C&B Costs 50% 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	1,054,900
<b>Totals</b>			<b>20,100,600</b>

	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	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

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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	40,241	251.72	10,129,200
1A - Affordable Apartments	40,241	251.71	10,129,200
1B - Houses	31,745	211.66	6,719,249
1B - Apartments	65,390	211.04	13,800,140
1B - Affordable Houses	30,612	206.62	6,324,943
1B - Affordable Apartments	66,622	208.45	13,887,000
1C - Houses	9,070	210.34	1,907,800
1C - Apartments	25,909	213.78	5,538,852
1C - Affordable Houses	9,070	210.34	1,907,800
1C - Affordable Apartments	25,908	200.83	5,203,227
1D - Apartments	22,208	210.40	4,672,467
1D - Affordable Apartments	22,206	210.41	4,672,400
1E - Hotel	71,322	248.64	17,733,600
1F - Apartments	7,800	202.88	1,582,393
1F - Affordable Apartments	7,799	236.72	1,846,125
2A - Apartments	8,666	210.22	1,821,733
2A - Affordable Apartments	8,665	210.24	1,821,800
2B - Apartments	8,666	210.22	1,821,733
2B - Affordable Apartments	8,665	210.24	1,821,800
4A - Houses	18,052	210.31	3,796,533
4A - Apartments	25,909	207.10	5,365,762
4A - Affordable Houses	18,052	210.31	3,796,600
4A - Affordable Apartments	<u>25,909</u>	220.91	<u>5,723,550</u>
<b>Totals</b>	<b>1,578,372</b>		<b>329,118,609 349,219,209</b>
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



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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%	4,859,353
Other Professionals	10.00%	1,879,718
Other Professionals	10.00%	1,190,167
Other Professionals	10.00%	2,035,150
Other Professionals	10.00%	3,181,712
Other Professionals	10.00%	3,943,033
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%	6,655,885
		43,561,031

**MARKETING & LETTING**

Residential Marketing	1.00%	1,326,218
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**APPRAISAL SUMMARY****JLL****JLL SCENARIO 8 Oxford North****C&B Costs 50% Affordable Housing**

Commercial Marketing	151,121 ft <sup>2</sup>	1.00 /ft <sup>2</sup>	151,121	
Commercial Marketing	571,504 ft <sup>2</sup>	1.00 /ft <sup>2</sup>	571,504	
Commercaill Marketing	154,715 ft <sup>2</sup>	1.00 /ft <sup>2</sup>	154,715	
Letting Agent Fee		10.00%	2,669,038	
Letting Legal Fee		5.00%	1,334,519	
				6,207,115

**DISPOSAL FEES**

Sales Agent Fee		1.00%	5,815,033	
Resi Sales Legal Fee		0.25%	449,433	
Commercial Sales Legal Fee		0.50%	1,901,151	
Commercial Sales Legal Fee		0.25%	53,750	
				8,219,367

**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				36,493,298

**TOTAL COSTS****576,458,833****PROFIT****51,704,805****Performance Measures**

Profit on Cost%	8.97%
Profit on GDV%	8.27%
Profit on NDV%	8.65%
Development Yield% (on Rent)	4.63%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

## APPRAISAL SUMMARY

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Rent Cover	1 yr 11 mths
Profit Erosion (finance rate 6.750)	1 yr 3 mths

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