



# *Oxford North*

Impact of Inflation on Scenario G (50% Affordable Housing, £628,000 BLV)

29 October 2019

# Contents

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<b>1 Introduction</b>	<b>3</b>
<b>2 Impact of Cost Inflation and Value Growth on Development Viability</b>	<b>4</b>
<b>3 Findings and Analysis</b>	<b>8</b>
<b>4 Other Issues Raised</b>	<b>10</b>
<b>5 Summary &amp; Conclusions</b>	<b>13</b>

**Appendix 1 – JLL Development Viability Appraisal Scenario G – with Inflation**

**Appendix 2 – JLL Development Viability Appraisal Scenario E – with Inflation**

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# 1 Introduction

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## Overview

This note provides an addendum to our **9 August 2019** report entitled ‘Financial Viability Assessment (FVA) for Oxford City Council’. This Addendum has been produced in response to the resolution of the West Area Planning Committee on the **24 September 2019**.

The resolution of this meeting required further sensitivity testing to be undertaken to assess the impact of inflation in the development viability appraisal.

The West Area Planning Committee resolved to:

*‘Defer consideration of the application pending further information on the following:*

- a) Further modelling work around Scenario G that looks at the level of affordable housing that could be provided if both cost and value inflation is included; and*
- b) A clear review mechanism that captures future improvements in value across the development.*

This Addendum addresses the requirement set out in limb a) only of the above committee Resolution. We understand that limb b) of the Resolution is dealt with separately. This report concludes that a review mechanism can address any improvement in viability arising as a consequence of differences between value and cost inflation.

This Addendum also considers other issues raised with planning officers in relation to viability and the way that the Savills and JLL FVAs have been undertaken. Although some of these issues were debated at Planning Committee on the **24 September 2019**, we have provided a written response to these issues within this report to assist Planning Committee’s reconsideration of the viability of the planning application.

The next section sets out the additional research that we have undertaken to inform our sensitivity test of the impact of cost inflation and value growth on Scenario G.

## 2 Impact of Cost Inflation and Value Growth on Development Viability

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Our **August 2019** Report assessed the viability of the scheme on a ‘current cost, current value’ approach in line with standard valuation methodology.

Whilst it is recognised that the development of Oxford North will span a significant period of time (given the quantum of residential and commercial development proposed), inflation in costs and revenues is difficult to predict. In most multi-phase developments, where there is a policy or other justification for it, future movements in both costs and values are crystallised at a later point in time by a review mechanism.

### RICS Guidance

**Paragraph 3.6.5.1** of the RICS guidance ‘Financial viability in planning’ (1<sup>st</sup> Edition) published in **2012** promotes the validity of projection models for capturing future market growth as *an alternative* to the reappraisal approach (i.e. which would reappraise the viability of the site in the future, at the costs and values at that point in time).

The RICS Guidance Financial Viability and Planning (2012) also states at **Paragraph D.3.3** that:

*‘For larger schemes with a lengthy development period, or for even larger schemes where phased development is likely, the effect of inflation (or deflation) needs to be considered.’*

**Paragraph D.3.4** continues:

*‘Predicting or forecasting values for rents, yields (for commercial/industrial schemes) and costs is difficult, even over short time periods. The potential volatility of the market, and the development viability risks which result, are factors that a developer has to consider, either explicitly or implicitly when undertaking a residual appraisal. This inevitable uncertainty is also a factor that the planners need to consider when ascertaining the level of affordable housing and/or planning obligation payments the development can support both now and in the future.’*

The RICS guidance therefore highlights the inevitable uncertainty relating to predicting/forecasting values and costs, even over short periods (which will add risk factors into the appraisal for both developers and local planning authorities).

More recently, the RICS have issued a Practice Statement ‘Financial viability in planning: conduct and reporting’ (**May 2019**) which confirms that a second edition of the 2012 guidance is forthcoming.

### Research Undertaken

In light of the above, we have therefore researched and assessed the following:

- The forecast for *sales value growth* in the South East in the next five years;
- The forecast for *build cost inflation* at a national level for the next five years (predictions for build cost inflation are provided on a national basis).

We have drawn upon JLL’s in-house Research Team who have researched and assessed data from their residential growth (i.e. value) predictions data, and also drawn upon the data collected by the Royal Institution of Chartered Surveyors (RICS) Build Cost Information Service (BCIS) to inform our sensitivity test of Scenario G.

We have consulted with JLL's commercial research team. Their latest research on the 6 core regional office markets (which does not include Oxford) suggests a period of investment yield stability (which means that, for example, if rents do not grow, the value of offices would not increase). We have therefore assumed no changes in investment yields in our appraisal. Unlike residential uses, they do not undertake growth predictions for commercial uses such as offices.

In terms of rental growth, JLL's Office Agency team recorded rental growth of 1% in the 'Core 8' markets (Edinburgh, Glasgow, Manchester, Leeds, Birmingham, Cardiff, Bristol and the M4 Western Corridor) between **Q4 2018** and **Q2 2019**.

Commercial rent growth is difficult beyond 1 year to predict as rents are sensitive to occupier demand and availability of stock. Commercial lease rent reviews may be linked to the retail price index (RPI) in order to counteract the unpredictability of the market and difficulty in predicting future rents. We have therefore looked at RPI inflation predictions available at <https://obr.uk/forecasts-in-depth/the-economy-forecast/inflation/> in order to determine the potential growth of commercial rents. This is detailed below:

RPI growth (% per annum)	2019	2020	2021	2022	2023	Total change 2019-23	Average pa 2019-23
	2.9%	2.9%	3.1%	3.1%	3.1%	15.1%	3.02%

We have adopted the above average % change in our appraisal for commercial rents.

It should be noted that the using RPI growth covers changes in rents after leases have been entered into; but does not capture changes in lease terms including, for example, rent-free periods. This underlines the difficulty of forecasting commercial rents and is one reason why a review mechanism looking at actual values is more appropriate.

### ***Sales Value Growth Forecasts/Predictions***

JLL's Research Team and regional residential teams compile residential growth predictions each year. The growth predictions for the residential market are only undertaken for a five-year period, due to the uncertainty of predicting growth rates beyond this period.

**Table 2.1** sets out the predictions for the South-East:

**Table 2.1 – JLL House Price Growth Predictions**

Sales Price Growth (% per annum)	2019	2020	2021	2022	2023	Total change 2019-23	Average pa 2019-23
<b>South East</b>	0.0%	1.0%	3.0%	3.5%	3.5%	11.4%	2.2%

*Source: JLL Research Team Analysis (October 2019)*

JLL's research indicates that an average of 2.2% per annum growth in residential sales values is anticipated in the next five years, according to the "sentiment and growth" predictions.

We have also reviewed the forecasting undertaken by the Applicant’s advisors, Savills, to explore whether their research promotes a different position from JLL. Savills’ residential property forecasts for mainstream residential markets in the South East are as follows:

**Table 2.2 – Savills Residential Growth Forecasts – South East ‘Mainstream’**

Sales Price Growth (% per annum)	2019	2020	2021	2022	2023	5 Year Compound Growth	Average pa 2019-23
South East	0.0%	2.0%	2.5%	2.0%	2.5%	9.3%	2.25%

Source: Savills (November 2018)

This equates to a five-year compound growth of 9.3%, which we calculate equates to an annual increase of 2.25% (i.e. marginally higher than the forecast produced by JLL).

Therefore, for the purposes of the inflation sensitivity test, we have assumed that the higher annual growth rate forecast researched by Savills is achieved. This approach will paint the most optimistic picture of the impact of inflation on development viability and is used to see whether it increases the initial level of affordable housing that can be provided. In addition, we have also assumed that this growth rate continues into the future beyond the five-year period estimated by Savills (given that neither Savills nor JLL predictions provide predictions beyond a period of five years).

### **Build Cost Inflation**

JLL Research Team have researched and assessed the cost inflation forecasts that are produced by the Build Cost Information Service (BCIS). The inflation forecasts are based upon the BCIS ‘All-In Tender Price Index’. This is a well known cost index which is also utilised for calculating the level of CIL charges in OCC’s CIL Charging Schedule.

**Table 2.3** below sets out the index for **Quarter 4 2019**, and compares it with the forecast rate for **Quarter 2 2024** (the last available quarter of forecast rates produced by the BCIS).

**Table 2.3 – BCIS – All-In Tender Price Cost Index - Forecast Rates**

	Q4 2019	Q2 2024	Average Annual Increase:
BCIS Index	339	425	4.63%

Source: BCIS, JLL Analysis (October 2019)

This is an annual change of 4.63% per annum (albeit that it should be noted that the latest available forecast is for **Q2 2024** and not **Q4 2024**, and hence, six months is excluded from the forecasting analysis). We have therefore assumed a rate of 4.63% per annum.

As set out in the RICS Guidance, the above assumptions in respect of build and value indexation should be viewed with caution, particularly in the context of the significant period of growth that has been experienced since the last market downturn in **2008/2009**, with some commentators now anticipating a correction in residential property market values.

In addition, the current uncertainty relating to Brexit makes the task of producing reliable forecasts even more difficult. At the time of writing, there is no Brexit deal agreed and the continued uncertainty is having an effect on the market. It is likely that either a hard or soft Brexit will have an effect on markets; however, there is uncertainty over how long this period will last. Our professional view is that build cost predictions are likely to rise further over this period, given uncertainties over availability of labour and materials.

House price growth measured only 1.3% between **September 2018** and **September 2019**. In contrast, build costs were predicted to rise by 2.2% over the same period.

The above analysis suggests that the trend for build cost inflation to be higher than residential sales value growth will remain over the next five years. This is therefore likely to have a negative impact on development viability, as considered in the next section.

## Summary

As set out above, for the purpose of our inflation sensitivity tests, we have adopted the following:

**Table 2.4 – Residential Value Growth and Cost Inflation Rates Assumed**

	% Increase per annum
<b>Value Growth</b> <i>(Residential Values)</i>	2.25%
<b>Value Growth</b> <i>(Commercial rents)</i>	3.02%
<b>Cost Inflation</b>	4.63%

Source: BCIS, JLL Analysis (October 2019)

It should be noted that we have reviewed value and cost trends over the past 10 and 20 years respectively. There have been dramatic market shifts, particularly in the last 10 years which has seen a period of significant growth following the worldwide credit crunch of 2008. Given the uncertainty that surrounds Brexit and the recent trend for cost growth being in excess of value growth, our approach has been to 'look forward' at predictions rather than rely on trends of the past in forecasting future growth.

### 3 Findings and Analysis

**Table 4.1** below sets out the findings of our sensitivity test. We have applied cost inflation and sales values growth to two scenarios as follows:

- **Scenario G** – as requested by Planning Committee Members; and
- **Scenario E** – as this is the Applicant’s Affordable Housing Offer (using the lower BLV).

Our methodology has been to utilise the existing development viability appraisal undertaken (and the phasing assumptions therein) and apply value growth and cost inflation on an annual basis to the following value/cost items:

- Residential Sales Values;
- Commercial Rents;
- Construction Costs; and
- Infrastructure Costs.

Having incorporated the annual growth rates into our development viability appraisal, Table 4.1 below sets out the updated results.

**Table 4.1: Findings and Inflation Sensitivity Test**

Scenario	Viability Position (Developer’s Return) Reported to Planning Committee on the 24 September 2019	Developer’s Return with Inflation and Growth as Set Out Above
<b>Scenario G</b>  <i>(JLL Baseline Appraisal with lower HE BLV of £0.628 million, 50% Affordable Housing and 80:20 tenure split)</i>	12.02% on cost	7.17% on cost
<b>Scenario E</b>  <i>(JLL Baseline Appraisal with lower HE BLV of £0.628 million, 35% Affordable Housing and 80:20 tenure split).</i>	19.71% on cost	13.17% on cost

Source: JLL Analysis (October 2019)

**Table 4.1** shows that as build cost inflation is anticipated to outstrip sales value growth by a significant margin in the next five years, the developer’s return for risk (profit) reduces significantly with the inflation and growth rates incorporated in the development viability appraisal. To confirm, our appraisals assume that the growth rates predicted in the next five years continue throughout the remaining life of the development.

A copy of the updated appraisals including inflation are attached at **Appendix 1** and **Appendix 2** respectively.



This demonstrates that, by taking into account anticipated growth in sales values and cost inflation, at either 50% or 35% affordable housing, both scenarios produce a developer's return (profit) on cost significantly below the benchmark of 20% developer's return for risk. This also demonstrates the 'inevitable uncertainty' for both the Applicant and local planning authority referred to in the RICS guidance, and the risk associated with undertaking development which spans a significant period of time which is subject to fluctuations in market conditions.

It is extremely difficult to predict future market performance and trends. The assumptions used in this report will differ to those of another valuer or commentator. Our conclusion is that the rate of cost inflation will outstrip value inflation over the period of this development. We further conclude that only an appropriate review mechanism will capture true value uplift. Any such model should cover the entirety of the scheme and take place at a number of agreed reference points.

The next section sets out several questions that were raised in relation to the viability process for this planning application.

## 4 Other Issues Raised

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The following paragraphs respond to several questions that have been raised in relation to the viability process for this planning application.

**The JLL report does not provide the evidence needed to inform decision making. The variable inputs should be set out and there should be iterations of the appraisal with outputs.**

***JLL Response:** This was clearly set out in the JLL **August 2019** report which succinctly summarises over two years of earlier reports, evidence, discussions and negotiations with the Applicant and their advisors. **Table 3.1** of the JLL August 2019 report sets out each of the key inputs in the appraisal; the assumptions that have been adopted by the Applicant; and JLL's commentary on whether or not the inputs have been agreed and why. It also sets out on **Page 11** the areas of disagreement/divergence between Savills and JLL, and how these have been addressed in the significant iteration of scenarios sensitivity tested, which are set out in **Table 4.2** of **Page 14** of the JLL report and then discussed in turn on **Pages 14-16**.*

**Why does the committee report not take a view on the two different benchmark land values?**

***JLL Response:** The JLL **August 2019** report is clear throughout regarding both the Applicant's advisors and JLL's position regarding the BLV, and that this is now an agreed input between the two consultancies at £12.4 million. However, the JLL Report recognises Homes England's different position, and sensitivity tests this much lower BLV of approximately £0.628 million (£628,000) on development viability. It should also be noted that the sensitivity test of the Applicant's 35% affordable housing offer (with the lower Homes England benchmark of £628,000) generates a 19.71% developer's return for risk (Scenario E). Hence, whilst a standard rate of developer's return is generated, the level of land value received by the Applicant is already written down from the £12.4 million figure to the £0.628 million (£628,000) figure proposed by Homes England. Accordingly, the appraisal scenarios undertaken provide the requisite evidence to inform decision making, as both alternative BLVs are sensitivity tested.*

**Where are the value inputs used in the appraisals set out in detail? Why are there significant differences between consultants on costs and quality of the scheme?**

***JLL Response** – As set out above, **Table 3.1** of our **August 2019** report summarises the significant discussions that have been held on the inputs (i.e. costs and values) of the development viability appraisal. It is not unusual to expect differences in opinion between the valuers and cost consultants, particularly for a scheme of this nature, and the differences between each advisor have been sensitivity tested in the scenarios that we have undertaken. This process has involved significant scrutiny from independent professions regulated by professional bodies, and this process has taken approximately 2.5 years. In terms of development costs, OCC's Quantity Surveyors (Currie & Brown, C&B) analysis of the Applicant's Cost Plan undertaken by Gardiner & Theobald (G&T) is dated **May 2019**. The scope and costs of the transport related aspects of the cost plan were also subject to scrutiny by OCC's Transport Consultants, Phil Jones Associates (PJA).*

**How has cash flow been dealt with in the appraisals? How has phasing been scrutinised to get to the best viability position?**

***JLL Response** – The planning application is submitted in hybrid format, with the initial phase of development being submitted in full, with all remaining phases in outline (and hence subject to reserved*

matters applications at a later period of time, as and when they come forward). Therefore, whilst there is more certainty as to when the full planning application element of Phase 1A is likely to be delivered, there is less certainty as to how later phases will be delivered (both in terms of the amount of development to be delivered, and also the timing of delivery). Assumptions have therefore been required as to how the remainder of the site will come forward for development in the future.

The Applicant and their advisors Savills have therefore provided a phasing strategy for the site, which forms the basis of not only the assumptions in the development viability appraisal model, but also, discussions with OCC Officers and Oxfordshire County Council regarding how each infrastructure item is likely to be delivered. This has been considered by not only OCC Officers and Oxford County Council, but also PJA (OCC's Transport Consultants) and Currie & Brown (Cost Consultants). We have also reviewed the proposed phasing schedule and take up rates of development, to ensure that the assumptions made are realistic. The phasing strategy anticipated a delivery period of approximately 10 years, which we are broadly comfortable with given the amount of office floorspace to be delivered.

The broad phasing strategy is as follows:

- **Phase 1** – Including residential, commercial offices, A1, A2, A3, A4, A5 Uses, Hotel, and D1 Community Uses and associated infrastructure – Anticipated in Years 1 to 4 of the development.
- **Phase 2** – Including residential and commercial office uses – anticipated in years 5 to 7 of the development.
- **Phase 3** – Including commercial offices uses plus infrastructure – anticipated in years 8 to 10 of the development.
- **Phase 4** – Including residential, commercial and infrastructure – anticipated in years 8 to 10 of the development.

This phasing strategy has been reflected within Savills' Argus Developer appraisal model, and the precise timescales within each phase of the Argus model has been audited by JLL in 2019. This led to a range of detailed queries being raised and discussed with Savills through a series of workshops regarding the phasing assumptions in the model and the detailed cashflow assumptions in the model.

**The appraisals assume a land transaction and associated risk but does this scheme have this attribute? How does the appraisal account for the developer not being a standard developer, i.e. not needing to profit from a land transaction and benefitting long term from commercial and residential rent? Should a different development appraisal be required for this developer? Is such a scenario usual in development?**

**JLL Response** - The development viability appraisal undertaken by the Applicant and reassessed by JLL is in accordance with both the RICS Guidance and the revised Planning Practice Guidance (PPG), which requires an 'objective' assessment to be undertaken, and in particular since **July 2018**, promotes 'standardised inputs' to the viability assessment. Therefore, it is standard practice to allow a Benchmark Land Value (BLV) and a developer's return for risk (profit), with the latter to be benchmarked against objective levels of return required in the market as set out in the Guidance. The basis of the viability appraisal is the guidance (NPPG and RICS) not the identity of the Applicant; indeed the objective nature of the assessment means that the identity of the applicant must be disregarded for the purposes of assessing a development's viability.

Members will recall that this was a key debate at Planning Committee on **24 September 2019**. However, in any event, as set out above, our sensitivity testing assesses the impact of a much lower BLV of £0.628 million (£628,000), and hence models a scenario where the land value is essentially ‘written-off’).

#### How has risk been factored into the appraisals?

**JLL Response** – There is risk in all development projects, and the level of risk varies depending upon the nature of each project. It is the valuer’s task to exercise his or her professional judgement when appraising any project and make appropriate allowances for risk in the appraisal (typically through contingency allowances on build costs to cover variations in the detailed scope or unexpected findings once building is taking place, and the level of developer’s return for risk (i.e. profit) that would be required by developers in the market to incentivise the developer to build). Risks are greater where projects span into a significant period of time (given that the longer the project spans into the future, the more risk there is that circumstances may change in the future). Projects are also more risky where there is a significant level of infrastructure required to be provided, and where the development is seeking to offer a bespoke, mixed used project and create a new place. All of these are relevant risks in the Oxford North project because of the requirements of the Northern Gateway AAP. We have therefore adopted the contingency rates advised by OCC’s advisors, Currie & Brown (C&B) (which is lower than the contingency rates proposed by Savills), and targeted a developer’s return for risk (profit) of 20% on cost. Both of these are standard valuation approaches to reflect the risks associated with a development of this nature, and hence there is no double counting of risk in the viability appraisal.

**Is it in the Applicant’s interests to increase their costs in order to get more profit, because profit is calculated on costs in this appraisal? Risk seems to have been factored into the scheme in a number of places, e.g. contingency, return on risk (profit) – has risk been over accounted for?**

**JLL Response** – It is not in the Applicant’s interest to increase the costs in their appraisal (unless these will be offset by additional sales revenue/value for the end development). This is because developer’s return is the residual item in the development appraisal – it will not increase if costs increase – the level of developer’s return will reduce as there will be less residual money available in the scheme (all other things remaining equal).

The next section provides our summary and conclusions.

## 5 Summary & Conclusions

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This Addendum provides an overview of the additional research that has been undertaken relating to cost inflation and residential sales value growth, and the impact on the development viability appraisal (as an alternative to requiring a review mechanism), as requested during the debate at Planning Committee on **24 September 2019** and as crystallised in the committee resolution that evening.

Our original viability appraisal model did not incorporate build cost inflation or sales value growth within the assessment, given that the RICS Guidance acknowledges that this is a particularly difficult task to undertake (and hence in our experience, many practitioners favour the approach where viability is reviewed in the future, rather than trying to estimate the level of value growth and cost inflation that will be achieved in the future). It was also recommended in our report that the viability of the scheme would be subject to review(s) at a later point in time to reassess scheme viability (and hence changes in sales value growth and cost inflation, and their impact on the scheme's ability to deliver a greater level of affordable housing in later phases would be re-assessed in the future).

Incorporating growth/inflation is particularly challenging at the current time, in the context of the current market conditions (i.e. in light of the significant period of house price growth since the last recession in **2008/2009**, and that some commentators are anticipating that there may be a correction in the market (i.e. fall in values)). In addition, the current uncertainty relating to Brexit, and the potential impacts on the wider property markets, could have a significant impact on both build cost inflation and sales value growth, moving forward. This factor makes predicting future growth in sales values and build cost inflation particularly difficult, even in the short term. This is acknowledged by the guidance.

JLL's Research team have researched and assessed information from the RICS Build Cost Information Service (BCIS) and their own in-house growth predictions. We have also had regard to research undertaken by Savills in relation to anticipated sales value growth for the next five years in the South East. Drawing on this research, we have assumed cost inflation of 4.63% per annum, residential sales value growth of 2.25% per annum, and commercial rent growth of 3.02% per annum in line with both JLL/Savills and BCIS forecasts.

This analysis demonstrates that in the next five years, inflation in build costs is forecasted to outstrip anticipated sales value growth. When this is modelled in the development viability appraisal for **Scenario G** and **Scenario E**, and it is anticipated that these forecast growth and inflation rates continue beyond the five-year period, the level of developer's return reduces from the position reported to Planning Committee on **24 September 2019**. This indicates that if these residential and cost growth predictions materialise, neither 35% of 50% affordable housing would be viable.

Given the complexity and uncertainty attached with making value growth and cost inflation predictions in the future (and the impact that this can have on development viability), our advice is to ensure that a review mechanism is secured in the Section 106 agreement so that future market conditions can be taken into account at a later point in time, rather than relying on predictions on future growth and inflation (which carry inevitable uncertainty).

# Appendix 1 – JLL Development Viability Appraisal - Scenario G – with Inflation

## Appendix 2 – JLL Development Viability Appraisal – Scenario E – with Inflation



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## **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.

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## Appendix 9b

JLL SCENARIO G Oxford North  
C&B Costs --- Homes England BLV -- 50% aff, 80/20 split  
Inflation Test

# APPRAISAL SUMMARY

JLL

JLL SCENARIO G Oxford North

C&B Costs --- Homes England BLV -- 50% 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 <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales	Adjustment	Net Sales
‡ 1A - Apartments	46	31,404	636.23	434,348	19,980,000	1,634,434	21,614,434
‡ 1A - Affordable Apartments	46	31,404	210.00	143,366	6,594,840	330,770	6,925,610
‡ 1B - Houses	28	31,745	651.49	738,636	20,681,818	2,136,430	22,818,248
‡ 1B - Apartments	53	50,559	576.50	549,953	29,147,523	2,862,464	32,009,987
‡ 1B - Residential Parking	54	0	0.00	15,000	810,000	72,120	882,120
‡ 1B - Affordable Houses	27	30,612	210.00	238,095	6,428,565	389,788	6,818,353
‡ 1B - Affordable Apartments	54	51,512	210.00	200,324	10,817,520	655,907	11,473,427
‡ 1C - Houses	8	9,070	622.11	705,313	5,642,500	705,087	6,347,587
‡ 1C - Apartments	21	20,033	584.79	557,857	11,715,000	1,446,826	13,161,826
‡ 1C - Residential Parking	21	0	0.00	15,000	315,000	37,722	352,722
‡ 1C - Affordable Houses	8	9,070	210.00	238,088	1,904,700	200,046	2,104,746
‡ 1C - Affordable Apartments	21	20,032	210.00	200,321	4,206,739	441,824	4,648,564
‡ 1D - Apartments	18	17,171	582.81	555,972	10,007,500	854,751	10,862,251
‡ 1D - Residential Revenue	18	0	0.00	15,000	270,000	22,409	292,409
‡ 1D - Affordable Apartments	18	17,170	210.00	200,317	3,605,700	238,666	3,844,366
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000	0	21,500,000
‡ 1F - Apartments	9	6,031	654.17	438,333	3,945,000	427,603	4,372,603
‡ 1F - Affordable Apartments	9	6,030	210.00	140,700	1,266,300	112,540	1,378,840
‡ 2A - Apartments	10	6,701	651.44	436,500	4,365,000	572,821	4,937,821
‡ 2A - Residential Parking	4	0	0.00	15,000	60,000	7,811	67,811
‡ 2A - Affordable Apartments	10	6,700	210.00	140,700	1,407,000	154,738	1,561,738
‡ 2B - Apartments	10	6,701	651.44	436,500	4,365,000	665,233	5,030,233
‡ 2B - Affordable Apartments	10	6,700	210.00	140,700	1,407,000	178,253	1,585,253
‡ 4A - Houses	16	18,052	624.31	704,375	11,270,000	2,717,578	13,987,578
‡ 4A - Apartments	21	20,033	574.18	547,738	11,502,500	2,744,578	14,247,078
‡ 4A - Residential Parking	4	0	0.00	15,000	60,000	13,986	73,986
‡ 4A - Affordable Houses	16	18,052	210.00	236,933	3,790,920	750,840	4,541,760

378

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% aff, 80/20 split

‡ 4A - Affordable Apartments	21	20,033	210.00	200,330	4,206,930	833,236	5,040,166
<b>Totals</b>	<b>582</b>	<b>495,438</b>			<b>201,273,056</b>	<b>21,208,462</b>	<b>222,481,518</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	4,165,751	3,661,845	4,165,751
‡ 1A - Red Hall	1	25,586	33.00	844,338	960,527	844,338	960,527
‡ 1A - Community	1	4,969	15.00	74,535	84,792	74,535	84,792
‡ 1A - Retail	1	9,601	25.00	240,025	273,055	240,025	273,055
‡ 1A - Ground Rents	69			10	775	690	775
‡ 1A - Basement Car Parking	1	7,696		0	0		
‡ 1A - Bike Store	1	3,386		0	0		
‡ 1B - Ground Rents	80			10	894	800	894
‡ 1C - Ground Rents	31			10	365	310	365
‡ 1D - Retail	1	2,849	25.00	71,225	79,238	71,225	79,238
‡ 1D - Ground Rents	27			10	300	270	300
‡ 1F - Workspace	1	90,239	33.00	2,977,887	3,498,645	2,977,887	3,498,645
‡ 1F - Retail	1	1,890	25.00	47,250	55,513	47,250	55,513
‡ 1F - Ground Rents	13			10	149	130	149
‡ 2A - Workspace	1	92,139	33.00	3,040,587	3,671,080	3,040,587	3,671,080
‡ 2A - Ground Rents	15			10	170	150	170
‡ 2B - Workspace	1	152,132	33.00	5,020,356	6,322,320	5,020,356	6,322,320
‡ 2B - Retail	1	2,583	25.00	64,575	81,322	64,575	81,322
‡ 2B - Ground Rents	15			10	173	150	173
‡ 3A - Workspace	1	130,291	33.00	4,299,603	5,633,769	4,299,603	5,633,769
‡ 3A - Retail	1	2,609	25.00	65,225	85,464	65,225	85,464
‡ 3B - Workspace	1	69,215	33.00	2,284,095	3,015,194	2,284,095	3,015,194
‡ 4A - Workspace	1	119,704	33.00	3,950,232	5,412,222	3,950,232	5,412,222
‡ 4A - Retail	1	1,944	25.00	48,600	66,587	48,600	66,587
‡ 4A - Ground Rents	32			10	400	320	400
<b>Totals</b>	<b>299</b>	<b>827,798</b>			<b>33,408,707</b>	<b>26,693,198</b>	

### Investment Valuation

#### 1A - Workspace

**APPRAISAL SUMMARY**

**JLL**

**JLL SCENARIO G Oxford North**

**C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

Market Rent	4,165,751	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	63,618,478
<b>1A - Red Hall</b>					
Market Rent	960,527	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	14,668,971
<b>1A - Community</b>					
Market Rent	84,792	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,333,204
<b>1A - Retail</b>					
Market Rent	273,055	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	4,293,315
<b>1A - Ground Rents</b>					
Current Rent	775	YP @	3.5000%	28.5714	22,151
<b>1A - Commercial Rent</b>					
Manual Value					2,816,364
<b>1B - Ground Rents</b>					
Current Rent	894	YP @	3.5000%	28.5714	25,547
<b>1C - Ground Rents</b>					
Current Rent	365	YP @	3.5000%	28.5714	10,432
<b>1D - Retail</b>					
Market Rent	79,238	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,245,884
<b>1D - Ground Rents</b>					
Current Rent	300	YP @	3.5000%	28.5714	8,582
<b>1F - Workspace</b>					
Market Rent	3,498,645	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	53,430,578
<b>1F - Retail</b>					
Market Rent	55,513	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	872,844
<b>1F - Ground Rents</b>					
Current Rent	149	YP @	3.5000%	28.5714	4,268
<b>1F - Commercial Rent</b>					
Manual Value					1,116,704

380

**APPRAISAL SUMMARY**

**JLL**

**JLL SCENARIO G Oxford North**

**C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

**2A - Workspace**

Market Rent	3,671,080	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	56,063,969

**2A - Ground Rents**

Current Rent	170	YP @	3.5000%	28.5714	4,853
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**2A - Commercial Rent**

Manual Value					1,140,220
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**2B - Workspace**

Market Rent	6,322,320	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	96,553,149

**2B - Retail**

Market Rent	81,322	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,278,643

**2B - Ground Rents**

Current Rent	173	YP @	3.5000%	28.5714	4,943
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**2B - Commercial Rent**

Manual Value					4,393,690
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**3A - Workspace**

Market Rent	5,633,769	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	86,037,744

**3A - Retail**

Market Rent	85,464	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,343,778

**3A - Commercial Rent**

Manual Value					3,224,702
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**3B - Workspace**

Market Rent	3,015,194	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,047,410

**3B - Commercial Rent**

Manual Value					285,512
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**4A - Workspace**

Market Rent	5,412,222	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	82,654,324

**4A - Retail**

381

**APPRAISAL SUMMARY****JLL****JLL SCENARIO G Oxford North****C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

Market Rent	66,587	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,046,965
<b>4A - Commercial Rent</b>					
Manual Value					2,962,674
<b>4A - Ground Rents</b>					
Current Rent	400	YP @	3.5000%	28.5714	11,421
					<b>526,521,318</b>

**GROSS DEVELOPMENT VALUE****749,002,836**

Purchaser's Costs		(34,713,269)		
Effective Purchaser's Costs Rate	6.59%		(34,713,269)	

**NET DEVELOPMENT VALUE****714,289,566****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****745,010,046****OUTLAY**

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% 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	1,215,030
‡ 1F - Car Parking	1 un	1,056,700	1,265,792
‡ 2A - Car Parking	1 un	6,176,700	7,698,613
‡ 2B - Car Parking	1 un	3,639,800	4,685,945
‡ 3A - Car Parking	1 un	1,025,700	1,407,642
‡ 3B - Car Parking	1 un	1,170,600	1,715,565
‡ 4A - Car Parking	1 un	4,889,400	7,160,742
1E - Car Parking	1 un	1,054,900	1,054,900
<b>Totals</b>			<b>26,204,229</b>

	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost
‡ 1A - Workspace	138,058	213.20	32,907,334
‡ 1A - Red Hall	32,549	214.05	7,789,029
‡ 1A - Community	5,400	7.15	43,154
‡ 1A - Retail	9,877	0.00	1
‡ 1A - Basement Car Parking	7,696	167.36	1,439,970
‡ 1A - Bike Store	3,386	122.65	464,301
‡ 1D - Retail	3,352	114.68	440,870
‡ 1F - Workspace	106,163	204.65	26,025,216
‡ 1F - Retail	2,224	114.79	305,817
‡ 2A - Workspace	108,399	204.67	27,652,785
‡ 2B - Workspace	178,980	204.64	47,153,367
‡ 2B - Retail	2,662	114.95	393,950
‡ 3A - Workspace	153,284	204.65	43,050,634
‡ 3A - Retail	3,070	114.63	482,938

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% aff, 80/20 split

‡ 3B - Workspace	81,429	204.65	24,422,548
‡ 4A - Workspace	140,829	204.67	42,212,408
‡ 4A - Retail	2,287	112.90	378,145
‡ 1A - Apartments	40,241	251.72	11,324,334
‡ 1A - Affordable Apartments	40,241	251.71	11,324,334
‡ 1B - Houses	31,745	211.66	7,670,362
‡ 1B - Apartments	65,390	211.04	15,753,557
‡ 1B - Affordable Houses	30,612	206.62	7,220,242
‡ 1B - Affordable Apartments	66,622	208.45	15,852,712
‡ 1C - Houses	9,070	210.34	2,350,130
‡ 1C - Apartments	25,909	213.78	6,823,053
‡ 1C - Affordable Houses	9,070	210.34	2,350,130
‡ 1C - Affordable Apartments	25,908	200.83	6,409,613
‡ 1D - Apartments	22,208	210.40	5,358,876
‡ 1D - Affordable Apartments	22,206	210.41	5,358,799
1E - Hotel	71,322	248.64	17,733,600
‡ 1F - Apartments	7,800	202.88	1,895,505
‡ 1F - Affordable Apartments	7,799	236.72	2,211,422
‡ 2A - Apartments	8,666	210.22	2,270,601
‡ 2A - Affordable Apartments	8,665	210.24	2,270,684
‡ 2B - Apartments	8,666	210.22	2,345,333
‡ 2B - Affordable Apartments	8,665	210.24	2,345,419
‡ 4A - Houses	18,052	210.31	5,560,190
‡ 4A - Apartments	25,909	207.10	7,858,396
‡ 4A - Affordable Houses	18,052	210.31	5,560,288
‡ 4A - Affordable Apartments	<u>25,909</u>	220.91	<u>8,382,391</u>
<b>Totals</b>	<b>1,578,372</b>		<b>411,392,434 437,596,663</b>
Contingency			25,028,300
1A - Infrastructure			15,464,142
1B - Infrastructure			8,166,049
1B - Logistics			698,387
1C - Infrastructure			4,890,922
1C - Logistics			270,612

384



**APPRAISAL SUMMARY****JLL****JLL SCENARIO G Oxford North****C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

1D - Infrastructure		2,294,873	
1D - Logistics		167,593	
1E - Infrastructure		1,464,472	
1E - Logistics		326,199	
1F - Infrastructure		5,865,092	
1F - Logistics		469,086	
2A - Infrastructure		8,548,004	
2A - Logistics		595,213	
2B - Infrastructure		8,827,005	
2B - Logistics		848,054	
3A - Infrastructure		14,561,067	
3A - Logistics		673,541	
3B - Infrastructure		15,553,786	
3B - Logistics		392,007	
4A - Infrastructure		18,960,289	
4A - Logistics		1,146,029	
CIL		5,283,913	
			140,494,637

**PROFESSIONAL FEES**

Other Professionals	10.00%	8,197,163	
Other Professionals	10.00%	5,536,131	
Other Professionals	10.00%	2,309,446	
Other Professionals	10.00%	1,362,101	
Other Professionals	10.00%	2,057,917	
Other Professionals	10.00%	3,803,793	
Other Professionals	10.00%	4,903,590	
Other Professionals	10.00%	6,659,907	
Other Professionals	10.00%	6,017,582	
Other Professionals	10.00%	4,208,391	
Other Professionals	10.00%	9,721,888	
			54,777,909

**MARKETING & LETTING**

Residential Marketing	1.00%	1,493,896	
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**APPRAISAL SUMMARY****JLL****JLL SCENARIO G Oxford North****C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

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%	3,340,548	
Letting Legal Fee		5.00%	1,670,274	
				7,382,059

**DISPOSAL FEES**

Sales Agent Fee		1.00%	6,983,497	
Resi Sales Legal Fee		0.25%	502,454	
Commercial Sales Legal Fee		0.50%	2,379,341	
Commercial Sales Legal Fee		0.25%	53,750	
				9,919,042

**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				41,442,839

**TOTAL COSTS****695,161,748****PROFIT****49,848,299****Performance Measures**

Profit on Cost%	7.17%
Profit on GDV%	6.66%
Profit on NDV%	6.98%
Development Yield% (on Rent)	4.81%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% aff, 80/20 split

Rent Cover 1 yr 6 mths  
 Profit Erosion (finance rate 6.750) 1 yr

‡ Inflation/Growth applied

Growth on Sales		Ungrown	Growth	Total
1A - Apartments	Growth Set 1 at 2.250%	19,980,000	1,634,434	21,614,434
1A - Affordable Apartments	Growth Set 1 at 2.250%	6,594,840	330,770	6,925,610
1B - Houses	Growth Set 1 at 2.250%	20,681,818	2,136,430	22,818,248
1B - Apartments	Growth Set 1 at 2.250%	29,147,523	2,862,464	32,009,988
1B - Residential Parking	Growth Set 1 at 2.250%	810,000	72,120	882,120
1B - Affordable Houses	Growth Set 1 at 2.250%	6,428,565	389,788	6,818,353
1B - Affordable Apartments	Growth Set 1 at 2.250%	10,817,520	655,907	11,473,427
1C - Houses	Growth Set 1 at 2.250%	5,642,500	705,087	6,347,587
1C - Apartments	Growth Set 1 at 2.250%	11,715,000	1,446,826	13,161,826
1C - Residential Parking	Growth Set 1 at 2.250%	315,000	37,722	352,722
1C - Affordable Houses	Growth Set 1 at 2.250%	1,904,700	200,046	2,104,746
1C - Affordable Apartments	Growth Set 1 at 2.250%	4,206,739	441,824	4,648,564
1D - Apartments	Growth Set 1 at 2.250%	10,007,500	854,751	10,862,251
1D - Residential Revenue	Growth Set 1 at 2.250%	270,000	22,409	292,409
1D - Affordable Apartments	Growth Set 1 at 2.250%	3,605,700	238,666	3,844,366
1F - Apartments	Growth Set 1 at 2.250%	3,945,000	427,603	4,372,603
1F - Affordable Apartments	Growth Set 1 at 2.250%	1,266,300	112,540	1,378,840
2A - Apartments	Growth Set 1 at 2.250%	4,365,000	572,821	4,937,821
2A - Residential Parking	Growth Set 1 at 2.250%	60,000	7,811	67,811
2A - Affordable Apartments	Growth Set 1 at 2.250%	1,407,000	154,738	1,561,738
2B - Apartments	Growth Set 1 at 2.250%	4,365,000	665,233	5,030,233
2B - Affordable Apartments	Growth Set 1 at 2.250%	1,407,000	178,253	1,585,253
4A - Houses	Growth Set 1 at 2.250%	11,270,000	2,717,578	13,987,578
4A - Apartments	Growth Set 1 at 2.250%	11,502,500	2,744,578	14,247,078
4A - Residential Parking	Growth Set 1 at 2.250%	60,000	13,986	73,986
4A - Affordable Houses	Growth Set 1 at 2.250%	3,790,920	750,840	4,541,760

387

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% aff, 80/20 split

4A - Affordable Apartments Growth Set 1 at 2.250% 4,206,930 833,236 5,040,166

#### Growth on Capitalised Rent

		Ungrown	Growth	Total
1A - Workspace	Growth Set 2 at 3.020%	55,922,929	7,695,549	63,618,478
1A - Red Hall	Growth Set 2 at 3.020%	12,894,553	1,774,418	14,668,971
1A - Community	Growth Set 2 at 3.020%	1,171,934	161,270	1,333,204
1A - Retail	Growth Set 2 at 3.020%	3,773,978	519,337	4,293,315
1A - Ground Rents	Growth Set 2 at 3.020%	19,714	2,437	22,151
1B - Ground Rents	Growth Set 1 at 2.250%	22,857	2,690	25,547
1C - Ground Rents	Growth Set 2 at 3.020%	8,857	1,575	10,432
1D - Retail	Growth Set 2 at 3.020%	1,119,890	125,994	1,245,884
1D - Ground Rents	Growth Set 2 at 3.020%	7,714	868	8,582
1F - Workspace	Growth Set 2 at 3.020%	45,477,666	7,952,912	53,430,578
1F - Retail	Growth Set 2 at 3.020%	742,925	129,919	872,844
1F - Ground Rents	Growth Set 2 at 3.020%	3,714	553	4,268
2A - Workspace	Growth Set 2 at 3.020%	46,435,207	9,628,762	56,063,969
2A - Ground Rents	Growth Set 1 at 2.250%	4,286	567	4,853
2B - Workspace	Growth Set 2 at 3.020%	76,669,824	19,883,325	96,553,149
2B - Retail	Growth Set 2 at 3.020%	1,015,330	263,313	1,278,643
2B - Ground Rents	Growth Set 1 at 2.250%	4,286	658	4,943
2B - Commercial Rent		4,393,690	0	4,393,690
3A - Workspace	Growth Set 2 at 3.020%	65,662,635	20,375,109	86,037,744
3A - Retail	Growth Set 2 at 3.020%	1,025,550	318,228	1,343,778
3B - Workspace	Growth Set 2 at 3.020%	34,882,220	11,165,190	46,047,410
4A - Workspace	Growth Set 2 at 3.020%	60,327,115	22,327,209	82,654,324
4A - Retail	Growth Set 2 at 3.020%	764,151	282,814	1,046,965
4A - Ground Rents	Growth Set 1 at 2.250%	9,143	2,278	11,421

#### Inflation on Construction Costs

		Uninflated	Inflation	Total
1A - Apartments	Inflation Set 1 at 4.630%	10,129,200	1,195,134	11,324,334
1A - Affordable Apartments	Inflation Set 1 at 4.630%	10,129,200	1,195,134	11,324,334
1B - Houses	Inflation Set 1 at 4.630%	6,719,249	951,113	7,670,362
1B - Apartments	Inflation Set 1 at 4.630%	13,800,140	1,953,417	15,753,557
1B - Affordable Houses	Inflation Set 1 at 4.630%	6,324,943	895,299	7,220,242

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO G Oxford North

### C&B Costs --- Homes England BLV -- 50% aff, 80/20 split

1B - Affordable Apartments	Inflation Set 1 at 4.630%	13,887,000	1,965,712	15,852,712
1C - Houses	Inflation Set 1 at 4.630%	1,907,800	442,330	2,350,130
1C - Apartments	Inflation Set 1 at 4.630%	5,538,852	1,284,201	6,823,053
1C - Affordable Houses	Inflation Set 1 at 4.630%	1,907,800	442,330	2,350,130
1C - Affordable Apartments	Inflation Set 1 at 4.630%	5,203,227	1,206,385	6,409,613
1D - Apartments	Inflation Set 1 at 4.630%	4,672,467	686,409	5,358,876
1D - Affordable Apartments	Inflation Set 1 at 4.630%	4,672,400	686,399	5,358,799
1F - Apartments	Inflation Set 1 at 4.630%	1,582,393	313,112	1,895,505
1F - Affordable Apartments	Inflation Set 1 at 4.630%	1,846,125	365,297	2,211,422
2A - Apartments	Inflation Set 1 at 4.630%	1,821,733	448,867	2,270,601
2A - Affordable Apartments	Inflation Set 1 at 4.630%	1,821,800	448,884	2,270,684
2B - Apartments	Inflation Set 1 at 4.630%	1,821,733	523,599	2,345,333
2B - Affordable Apartments	Inflation Set 1 at 4.630%	1,821,800	523,619	2,345,419
4A - Houses	Inflation Set 1 at 4.630%	3,796,533	1,763,657	5,560,190
4A - Apartments	Inflation Set 1 at 4.630%	5,365,762	2,492,633	7,858,396
4A - Affordable Houses	Inflation Set 1 at 4.630%	3,796,600	1,763,688	5,560,288
4A - Affordable Apartments	Inflation Set 1 at 4.630%	5,723,550	2,658,841	8,382,391
1A - Workspace	Inflation Set 1 at 4.630%	29,434,400	3,472,934	32,907,334
1A - Red Hall	Inflation Set 1 at 4.630%	6,967,000	822,029	7,789,029
1A - Community	Inflation Set 1 at 4.630%	38,600	4,554	43,154
1A - Retail	Inflation Set 1 at 4.630%	1	0	1
1A - Temp Car Parking	Inflation Set 1 at 4.630%	1,086,800	128,230	1,215,030
1A - Basement Car Parking	Inflation Set 1 at 4.630%	1,288,000	151,970	1,439,970
1A - Bike Store	Inflation Set 1 at 4.630%	415,300	49,001	464,301
1D - Retail	Inflation Set 1 at 4.630%	384,400	56,470	440,870
1F - Workspace	Inflation Set 1 at 4.630%	21,726,200	4,299,016	26,025,216
1F - Retail	Inflation Set 1 at 4.630%	255,300	50,517	305,817
1F - Car Parking	Inflation Set 1 at 4.630%	1,056,700	209,092	1,265,792
2A - Workspace	Inflation Set 1 at 4.630%	22,186,200	5,466,585	27,652,785
2A - Car Parking	Inflation Set 1 at 4.630%	6,176,700	1,521,913	7,698,613
2B - Workspace	Inflation Set 1 at 4.630%	36,626,300	10,527,067	47,153,367
2B - Retail	Inflation Set 1 at 4.630%	306,000	87,950	393,950
2B - Car Parking	Inflation Set 1 at 4.630%	3,639,800	1,046,145	4,685,945
3A - Workspace	Inflation Set 1 at 4.630%	31,369,500	11,681,134	43,050,634

689

**APPRAISAL SUMMARY****JLL****JLL SCENARIO G Oxford North****C&B Costs --- Homes England BLV -- 50% aff, 80/20 split**

3A - Retail	Inflation Set 1 at 4.630%	351,900	131,038	482,938
3A - Car Parking	Inflation Set 1 at 4.630%	1,025,700	381,942	1,407,642
3B - Workspace	Inflation Set 1 at 4.630%	16,664,500	7,758,048	24,422,548
3B - Car Parking	Inflation Set 1 at 4.630%	1,170,600	544,965	1,715,565
4A - Workspace	Inflation Set 1 at 4.630%	28,822,900	13,389,508	42,212,408
4A - Retail	Inflation Set 1 at 4.630%	258,200	119,945	378,145
4A - Car Parking	Inflation Set 1 at 4.630%	4,889,400	2,271,342	7,160,742

390

## Appendix 9c

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

# APPRAISAL SUMMARY

JLL

JLL SCENARIO E 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 <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales	Adjustment	Net Sales
‡ 1A - Apartments	50	34,134	636.23	434,348	21,717,391	1,776,559	23,493,950
‡ 1A - Affordable Apartments	42	28,673	210.00	143,366	6,021,376	302,007	6,323,383
‡ 1B - Houses	41	46,484	651.49	738,636	30,284,091	3,128,344	33,412,435
‡ 1B - Apartments	70	66,776	576.50	549,953	38,496,729	3,780,613	42,277,342
‡ 1B - Residential Parking	54	0	0.00	15,000	810,000	72,120	882,120
‡ 1B - Affordable Houses	14	15,873	210.00	238,095	3,333,330	202,112	3,535,442
‡ 1B - Affordable Apartments	37	35,295	210.00	200,324	7,412,004	449,418	7,861,422
‡ 1C - Houses	10	11,338	622.11	705,313	7,053,125	881,358	7,934,483
‡ 1C - Apartments	25	23,849	584.79	557,857	13,946,429	1,722,412	15,668,841
‡ 1C - Residential Parking	21	0	0.00	15,000	315,000	37,722	352,722
‡ 1C - Affordable Houses	6	6,803	210.00	238,088	1,428,525	150,035	1,578,560
‡ 1C - Affordable Apartments	17	16,216	210.00	200,321	3,405,455	357,667	3,763,123
‡ 1D - Apartments	27	25,757	582.81	555,972	15,011,250	1,282,126	16,293,376
‡ 1D - Residential Revenue	18	0	0.00	15,000	270,000	22,409	292,409
‡ 1D - Affordable Apartments	9	8,585	210.00	200,317	1,802,850	119,333	1,922,183
1E - Hotel	1	60,624	354.65	21,500,000	21,500,000	0	21,500,000
‡ 1F - Apartments	14	9,381	654.17	438,333	6,136,667	665,160	6,801,827
‡ 1F - Affordable Apartments	4	2,680	210.00	140,700	562,800	50,018	612,818
‡ 2A - Apartments	15	10,051	651.44	436,500	6,547,500	859,231	7,406,731
‡ 2A - Residential Parking	4	0	0.00	15,000	60,000	7,811	67,811
‡ 2A - Affordable Apartments	5	3,350	210.00	140,700	703,500	77,369	780,869
‡ 2B - Apartments	10	6,701	651.44	436,500	4,365,000	665,233	5,030,233
‡ 2B - Affordable Apartments	10	6,700	210.00	140,700	1,407,000	178,253	1,585,253
‡ 4A - Houses	20	22,565	624.31	704,375	14,087,500	3,396,973	17,484,473
‡ 4A - Apartments	30	28,619	574.18	547,738	16,432,143	3,920,826	20,352,968
‡ 4A - Residential Parking	4	0	0.00	15,000	60,000	13,986	73,986
‡ 4A - Affordable Houses	12	13,539	210.00	236,933	2,843,190	563,130	3,406,320

392



# APPRAISAL SUMMARY

JLL

## JLL SCENARIO E Oxford North

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

‡ 4A - Affordable Apartments	12	11,447	210.00	200,330	2,403,960	476,135	2,880,095
<b>Totals</b>	<b>582</b>	<b>495,439</b>			<b>228,416,815</b>	<b>25,158,361</b>	<b>253,575,176</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	4,165,751	3,661,845	4,165,751
‡ 1A - Red Hall	1	25,586	33.00	844,338	960,527	844,338	960,527
‡ 1A - Community	1	4,969	15.00	74,535	84,792	74,535	84,792
‡ 1A - Retail	1	9,601	25.00	240,025	273,055	240,025	273,055
‡ 1A - Ground Rents	69			10	775	690	775
1A - Basement Car Parking	1	7,696		0	0		
1A - Bike Store	1	3,386		0	0		
‡ 1B - Ground Rents	80			10	894	800	894
‡ 1C - Ground Rents	31			10	350	310	350
‡ 1D - Retail	1	2,849	25.00	71,225	79,238	71,225	79,238
‡ 1D - Ground Rents	27			10	292	270	292
‡ 1F - Workspace	1	90,239	33.00	2,977,887	3,498,645	2,977,887	3,498,645
‡ 1F - Retail	1	1,890	25.00	47,250	55,513	47,250	55,513
‡ 1F - Ground Rents	13			10	149	130	149
‡ 2A - Workspace	1	92,139	33.00	3,040,587	3,671,080	3,040,587	3,671,080
‡ 2A - Ground Rents	15			10	170	150	170
‡ 2B - Workspace	1	152,132	33.00	5,020,356	6,322,320	5,020,356	6,322,320
‡ 2B - Retail	1	2,583	25.00	64,575	81,322	64,575	81,322
‡ 2B - Ground Rents	15			10	173	150	173
‡ 3A - Workspace	1	130,291	33.00	4,299,603	5,633,769	4,299,603	5,633,769
‡ 3A - Retail	1	2,609	25.00	65,225	85,464	65,225	85,464
‡ 3B - Workspace	1	69,215	33.00	2,284,095	3,015,194	2,284,095	3,015,194
‡ 4A - Workspace	1	119,704	33.00	3,950,232	5,412,222	3,950,232	5,412,222
‡ 4A - Retail	1	1,944	25.00	48,600	66,587	48,600	66,587
‡ 4A - Ground Rents	<u>32</u>			10	<u>400</u>	<u>320</u>	<u>400</u>
<b>Totals</b>	<b>299</b>	<b>827,798</b>			<b>33,408,685</b>	<b>26,693,198</b>	

### Investment Valuation

#### 1A - Workspace

**APPRAISAL SUMMARY**

**JLL**

**JLL SCENARIO E Oxford North**

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

Market Rent	4,165,751	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	63,618,478
<b>1A - Red Hall</b>					
Market Rent	960,527	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	14,668,971
<b>1A - Community</b>					
Market Rent	84,792	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,333,204
<b>1A - Retail</b>					
Market Rent	273,055	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	4,293,315
<b>1A - Ground Rents</b>					
Current Rent	775	YP @	3.5000%	28.5714	22,151
<b>1A - Commercial Rent</b>					
Manual Value					2,816,364
<b>1B - Ground Rents</b>					
Current Rent	894	YP @	3.5000%	28.5714	25,547
<b>1C - Ground Rents</b>					
Current Rent	350	YP @	3.5000%	28.5714	10,010
<b>1D - Retail</b>					
Market Rent	79,238	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,245,884
<b>1D - Ground Rents</b>					
Current Rent	292	YP @	3.5000%	28.5714	8,355
<b>1F - Workspace</b>					
Market Rent	3,498,645	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	53,430,578
<b>1F - Retail</b>					
Market Rent	55,513	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	872,844
<b>1F - Ground Rents</b>					
Current Rent	149	YP @	3.5000%	28.5714	4,268
<b>1F - Commercial Rent</b>					
Manual Value					1,116,704

394

**APPRAISAL SUMMARY**

**JLL**

**JLL SCENARIO E Oxford North**

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

**2A - Workspace**

Market Rent	3,671,080	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	56,063,969

**2A - Ground Rents**

Current Rent	170	YP @	3.5000%	28.5714	4,853
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**2A - Commercial Rent**

Manual Value					1,140,220
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**2B - Workspace**

Market Rent	6,322,320	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	96,553,149

**2B - Retail**

Market Rent	81,322	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,278,643

**2B - Ground Rents**

Current Rent	173	YP @	3.5000%	28.5714	4,943
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**2B - Commercial Rent**

Manual Value					4,393,690
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**3A - Workspace**

Market Rent	5,633,769	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	86,037,744

**3A - Retail**

Market Rent	85,464	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,343,778

**3A - Commercial Rent**

Manual Value					3,224,702
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**3B - Workspace**

Market Rent	3,015,194	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	46,047,410

**3B - Commercial Rent**

Manual Value					285,512
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**4A - Workspace**

Market Rent	5,412,222	YP @	6.0000%	16.6667	
(1yr 6mths Rent Free)		PV 1yr 6mths @	6.0000%	0.9163	82,654,324

**4A - Retail**

395

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

Market Rent	66,587	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	1,046,965
<b>4A - Commercial Rent</b>					
Manual Value					2,962,674
<b>4A - Ground Rents</b>					
Current Rent	400	YP @	3.5000%	28.5714	11,421
					<b>526,520,669</b>

**GROSS DEVELOPMENT VALUE****780,095,844**

Purchaser's Costs		(34,713,269)		
Effective Purchaser's Costs Rate	6.59%		(34,713,269)	

**NET DEVELOPMENT VALUE****745,382,575****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****776,103,055****OUTLAY**

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO E 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	1,215,030
‡ 1F - Car Parking	1 un	1,056,700	1,265,792
‡ 2A - Car Parking	1 un	6,176,700	7,698,613
‡ 2B - Car Parking	1 un	3,639,800	4,685,945
‡ 3A - Car Parking	1 un	1,025,700	1,407,642
‡ 3B - Car Parking	1 un	1,170,600	1,715,565
‡ 4A - Car Parking	1 un	4,889,400	7,160,742
1E - Car Parking	<u>1 un</u>	<u>1,054,900</u>	<u>1,054,900</u>
<b>Totals</b>			<b>26,204,229</b>

	ft <sup>2</sup>	Build Rate ft <sup>2</sup>	Cost
‡ 1A - Workspace	138,058	213.20	32,907,334
‡ 1A - Red Hall	32,549	214.05	7,789,029
‡ 1A - Community	5,400	7.15	43,154
‡ 1A - Retail	9,877	0.00	1
‡ 1A - Basement Car Parking	7,696	167.36	1,439,970
‡ 1A - Bike Store	3,386	122.65	464,301
‡ 1D - Retail	3,352	114.68	440,870
‡ 1F - Workspace	106,163	204.65	26,025,216
‡ 1F - Retail	2,224	114.79	305,817
‡ 2A - Workspace	108,399	204.67	27,652,785
‡ 2B - Workspace	178,980	204.64	47,153,367
‡ 2B - Retail	2,662	114.95	393,950
‡ 3A - Workspace	153,284	204.65	43,050,634
‡ 3A - Retail	3,070	114.63	482,938

397

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO E Oxford North

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

‡ 3B - Workspace	81,429	204.65	24,422,548
‡ 4A - Workspace	140,829	204.67	42,212,408
‡ 4A - Retail	2,287	112.90	378,145
‡ 1A - Apartments	43,740	251.72	12,309,058
‡ 1A - Affordable Apartments	36,742	251.71	10,339,609
‡ 1B - Houses	46,484	211.66	11,231,601
‡ 1B - Apartments	86,364	211.04	20,806,585
‡ 1B - Affordable Houses	15,873	206.62	3,743,829
‡ 1B - Affordable Apartments	45,648	208.45	10,862,043
‡ 1C - Houses	11,338	210.34	2,937,662
‡ 1C - Apartments	30,844	213.78	8,122,682
‡ 1C - Affordable Houses	6,803	210.34	1,762,597
‡ 1C - Affordable Apartments	20,973	200.83	5,188,734
‡ 1D - Apartments	33,312	210.40	8,038,313
‡ 1D - Affordable Apartments	11,103	210.41	2,679,400
1E - Hotel	71,322	248.64	17,733,600
‡ 1F - Apartments	12,133	202.88	2,948,563
‡ 1F - Affordable Apartments	3,466	236.72	982,854
‡ 2A - Apartments	12,999	210.22	3,405,901
‡ 2A - Affordable Apartments	4,333	210.24	1,135,342
‡ 2B - Apartments	8,666	210.22	2,345,333
‡ 2B - Affordable Apartments	8,665	210.24	2,345,419
‡ 4A - Houses	22,565	210.31	6,950,238
‡ 4A - Apartments	37,014	207.10	11,226,280
‡ 4A - Affordable Houses	13,539	210.31	4,170,216
‡ 4A - Affordable Apartments	<u>14,805</u>	220.91	<u>4,789,938</u>
<b>Totals</b>	<b>1,578,374</b>		<b>411,218,264 437,422,493</b>

Contingency		25,028,300
1A - Infrastructure		15,464,142
1B - Infrastructure		8,166,049
1B - Logistics		698,387
1C - Infrastructure		4,890,922
1C - Logistics		270,612

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

1D - Infrastructure		2,294,873	
1D - Logistics		167,593	
1E - Infrastructure		1,464,472	
1E - Logistics		326,199	
1F - Infrastructure		5,865,092	
1F - Logistics		469,086	
2A - Infrastructure		8,548,004	
2A - Logistics		595,213	
2B - Infrastructure		8,827,005	
2B - Logistics		848,054	
3A - Infrastructure		14,561,067	
3A - Logistics		673,541	
3B - Infrastructure		15,553,786	
3B - Logistics		392,007	
4A - Infrastructure		18,960,289	
4A - Logistics		1,146,029	
CIL		5,283,913	
			140,494,637

**PROFESSIONAL FEES**

Other Professionals	10.00%	8,197,163	
Other Professionals	10.00%	5,550,850	
Other Professionals	10.00%	2,317,321	
Other Professionals	10.00%	1,362,105	
Other Professionals	10.00%	2,057,917	
Other Professionals	10.00%	3,786,242	
Other Professionals	10.00%	4,903,586	
Other Professionals	10.00%	6,659,907	
Other Professionals	10.00%	6,017,582	
Other Professionals	10.00%	4,208,391	
Other Professionals	10.00%	9,699,428	
			54,760,492

**MARKETING & LETTING**

Residential Marketing	1.00%	1,961,567	
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**APPRAISAL SUMMARY****JLL****JLL SCENARIO E Oxford North****C&B Costs --- Homes England BLV -- 35% aff, 80/20 split**

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%	3,340,548	
Letting Legal Fee		5.00%	1,670,274	
				7,849,729

**DISPOSAL FEES**

Sales Agent Fee		1.00%	7,294,427	
Resi Sales Legal Fee		0.25%	580,188	
Commercial Sales Legal Fee		0.50%	2,379,338	
Commercial Sales Legal Fee		0.25%	53,750	
				10,307,703

**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				31,387,921

**TOTAL COSTS****685,771,573****PROFIT****90,331,482****Performance Measures**

Profit on Cost%	13.17%
Profit on GDV%	11.58%
Profit on NDV%	12.12%
Development Yield% (on Rent)	4.87%
Equivalent Yield% (Nominal)	6.00%
Equivalent Yield% (True)	6.23%

400



# APPRAISAL SUMMARY

JLL

## JLL SCENARIO E Oxford North

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

Rent Cover 2 yrs 8 mths  
 Profit Erosion (finance rate 6.750) 1 yr 10 mths

‡ Inflation/Growth applied

Growth on Sales		Ungrown	Growth	Total
1A - Apartments	Growth Set 1 at 2.250%	21,717,391	1,776,559	23,493,950
1A - Affordable Apartments	Growth Set 1 at 2.250%	6,021,376	302,007	6,323,383
1B - Houses	Growth Set 1 at 2.250%	30,284,091	3,128,344	33,412,435
1B - Apartments	Growth Set 1 at 2.250%	38,496,729	3,780,613	42,277,342
1B - Residential Parking	Growth Set 1 at 2.250%	810,000	72,120	882,120
1B - Affordable Houses	Growth Set 1 at 2.250%	3,333,330	202,112	3,535,442
1B - Affordable Apartments	Growth Set 1 at 2.250%	7,412,004	449,418	7,861,422
1C - Houses	Growth Set 1 at 2.250%	7,053,125	881,358	7,934,483
1C - Apartments	Growth Set 1 at 2.250%	13,946,429	1,722,412	15,668,841
1C - Residential Parking	Growth Set 1 at 2.250%	315,000	37,722	352,722
1C - Affordable Houses	Growth Set 1 at 2.250%	1,428,525	150,035	1,578,560
1C - Affordable Apartments	Growth Set 1 at 2.250%	3,405,455	357,667	3,763,123
1D - Apartments	Growth Set 1 at 2.250%	15,011,250	1,282,126	16,293,376
1D - Residential Revenue	Growth Set 1 at 2.250%	270,000	22,409	292,409
1D - Affordable Apartments	Growth Set 1 at 2.250%	1,802,850	119,333	1,922,183
1F - Apartments	Growth Set 1 at 2.250%	6,136,667	665,160	6,801,827
1F - Affordable Apartments	Growth Set 1 at 2.250%	562,800	50,018	612,818
2A - Apartments	Growth Set 1 at 2.250%	6,547,500	859,231	7,406,731
2A - Residential Parking	Growth Set 1 at 2.250%	60,000	7,811	67,811
2A - Affordable Apartments	Growth Set 1 at 2.250%	703,500	77,369	780,869
2B - Apartments	Growth Set 1 at 2.250%	4,365,000	665,233	5,030,233
2B - Affordable Apartments	Growth Set 1 at 2.250%	1,407,000	178,253	1,585,253
4A - Houses	Growth Set 1 at 2.250%	14,087,500	3,396,973	17,484,473
4A - Apartments	Growth Set 1 at 2.250%	16,432,143	3,920,826	20,352,968
4A - Residential Parking	Growth Set 1 at 2.250%	60,000	13,986	73,986
4A - Affordable Houses	Growth Set 1 at 2.250%	2,843,190	563,130	3,406,320

401

# APPRAISAL SUMMARY

JLL

## JLL SCENARIO E Oxford North

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

4A - Affordable Apartments	Growth Set 1 at 2.250%	2,403,960	476,135	2,880,095
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### Growth on Capitalised Rent

		Ungrown	Growth	Total
1A - Workspace	Growth Set 2 at 3.020%	55,922,929	7,695,549	63,618,478
1A - Red Hall	Growth Set 2 at 3.020%	12,894,553	1,774,418	14,668,971
1A - Community	Growth Set 2 at 3.020%	1,171,934	161,270	1,333,204
1A - Retail	Growth Set 2 at 3.020%	3,773,978	519,337	4,293,315
1A - Ground Rents	Growth Set 2 at 3.020%	19,714	2,437	22,151
1B - Ground Rents	Growth Set 1 at 2.250%	22,857	2,690	25,547
1C - Ground Rents	Growth Set 1 at 2.250%	8,857	1,153	10,010
1D - Retail	Growth Set 2 at 3.020%	1,119,890	125,994	1,245,884
1D - Ground Rents	Growth Set 1 at 2.250%	7,714	640	8,355
1F - Workspace	Growth Set 2 at 3.020%	45,477,666	7,952,912	53,430,578
1F - Retail	Growth Set 2 at 3.020%	742,925	129,919	872,844
1F - Ground Rents	Growth Set 2 at 3.020%	3,714	553	4,268
2A - Workspace	Growth Set 2 at 3.020%	46,435,207	9,628,762	56,063,969
2A - Ground Rents	Growth Set 1 at 2.250%	4,286	567	4,853
2B - Workspace	Growth Set 2 at 3.020%	76,669,824	19,883,325	96,553,149
2B - Retail	Growth Set 2 at 3.020%	1,015,330	263,313	1,278,643
2B - Ground Rents	Growth Set 1 at 2.250%	4,286	658	4,943
3A - Workspace	Growth Set 2 at 3.020%	65,662,635	20,375,109	86,037,744
3A - Retail	Growth Set 2 at 3.020%	1,025,550	318,228	1,343,778
3B - Workspace	Growth Set 2 at 3.020%	34,882,220	11,165,190	46,047,410
4A - Workspace	Growth Set 2 at 3.020%	60,327,115	22,327,209	82,654,324
4A - Retail	Growth Set 2 at 3.020%	764,151	282,814	1,046,965
4A - Ground Rents	Growth Set 1 at 2.250%	9,143	2,278	11,421

### Inflation on Construction Costs

		Uninflated	Inflation	Total
1A - Apartments	Inflation Set 1 at 4.630%	11,010,000	1,299,058	12,309,058
1A - Affordable Apartments	Inflation Set 1 at 4.630%	9,248,400	1,091,209	10,339,609
1B - Houses	Inflation Set 1 at 4.630%	9,838,900	1,392,701	11,231,601
1B - Apartments	Inflation Set 1 at 4.630%	18,226,600	2,579,985	20,806,585
1B - Affordable Houses	Inflation Set 1 at 4.630%	3,279,600	464,229	3,743,829
1B - Affordable Apartments	Inflation Set 1 at 4.630%	9,515,167	1,346,877	10,862,043

402

**APPRAISAL SUMMARY**

**JLL**

**JLL SCENARIO E Oxford North**

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

1C - Houses	Inflation Set 1 at 4.630%	2,384,750	552,912	2,937,662
1C - Apartments	Inflation Set 1 at 4.630%	6,593,871	1,528,811	8,122,682
1C - Affordable Houses	Inflation Set 1 at 4.630%	1,430,850	331,747	1,762,597
1C - Affordable Apartments	Inflation Set 1 at 4.630%	4,212,136	976,598	5,188,734
1D - Apartments	Inflation Set 1 at 4.630%	7,008,700	1,029,613	8,038,313
1D - Affordable Apartments	Inflation Set 1 at 4.630%	2,336,200	343,200	2,679,400
1F - Apartments	Inflation Set 1 at 4.630%	2,461,500	487,063	2,948,563
1F - Affordable Apartments	Inflation Set 1 at 4.630%	820,500	162,354	982,854
2A - Apartments	Inflation Set 1 at 4.630%	2,732,600	673,301	3,405,901
2A - Affordable Apartments	Inflation Set 1 at 4.630%	910,900	224,442	1,135,342
2B - Apartments	Inflation Set 1 at 4.630%	1,821,733	523,599	2,345,333
2B - Affordable Apartments	Inflation Set 1 at 4.630%	1,821,800	523,619	2,345,419
4A - Houses	Inflation Set 1 at 4.630%	4,745,667	2,204,571	6,950,238
4A - Apartments	Inflation Set 1 at 4.630%	7,665,375	3,560,905	11,226,280
4A - Affordable Houses	Inflation Set 1 at 4.630%	2,847,450	1,322,766	4,170,216
4A - Affordable Apartments	Inflation Set 1 at 4.630%	3,270,600	1,519,338	4,789,938
1A - Workspace	Inflation Set 1 at 4.630%	29,434,400	3,472,934	32,907,334
1A - Red Hall	Inflation Set 1 at 4.630%	6,967,000	822,029	7,789,029
1A - Community	Inflation Set 1 at 4.630%	38,600	4,554	43,154
1A - Retail	Inflation Set 1 at 4.630%	1	0	1
1A - Temp Car Parking	Inflation Set 1 at 4.630%	1,086,800	128,230	1,215,030
1A - Basement Car Parking	Inflation Set 1 at 4.630%	1,288,000	151,970	1,439,970
1A - Bike Store	Inflation Set 1 at 4.630%	415,300	49,001	464,301
1D - Retail	Inflation Set 1 at 4.630%	384,400	56,470	440,870
1F - Workspace	Inflation Set 1 at 4.630%	21,726,200	4,299,016	26,025,216
1F - Retail	Inflation Set 1 at 4.630%	255,300	50,517	305,817
1F - Car Parking	Inflation Set 1 at 4.630%	1,056,700	209,092	1,265,792
2A - Workspace	Inflation Set 1 at 4.630%	22,186,200	5,466,585	27,652,785
2A - Car Parking	Inflation Set 1 at 4.630%	6,176,700	1,521,913	7,698,613
2B - Workspace	Inflation Set 1 at 4.630%	36,626,300	10,527,067	47,153,367
2B - Retail	Inflation Set 1 at 4.630%	306,000	87,950	393,950
2B - Car Parking	Inflation Set 1 at 4.630%	3,639,800	1,046,145	4,685,945
3A - Workspace	Inflation Set 1 at 4.630%	31,369,500	11,681,134	43,050,634
3A - Retail	Inflation Set 1 at 4.630%	351,900	131,038	482,938

403

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

3A - Car Parking	Inflation Set 1 at 4.630%	1,025,700	381,942	1,407,642
3B - Workspace	Inflation Set 1 at 4.630%	16,664,500	7,758,048	24,422,548
3B - Car Parking	Inflation Set 1 at 4.630%	1,170,600	544,965	1,715,565
4A - Workspace	Inflation Set 1 at 4.630%	28,822,900	13,389,508	42,212,408
4A - Retail	Inflation Set 1 at 4.630%	258,200	119,945	378,145
4A - Car Parking	Inflation Set 1 at 4.630%	4,889,400	2,271,342	7,160,742