

## Appendix 3 Commercial appraisal results

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	OFFICE
Location:	Prime- Hemel Hempstead (Maylands)

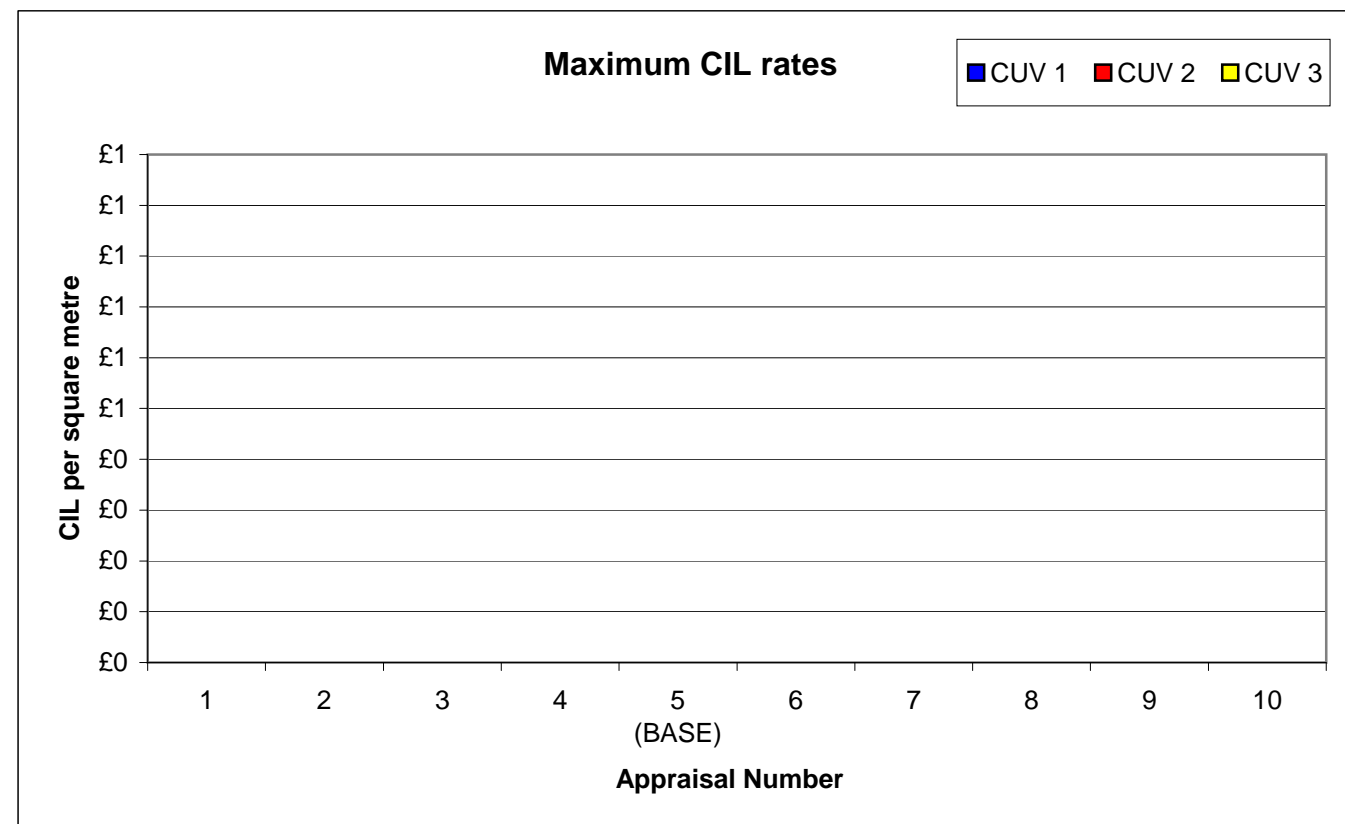
	£s per sqft	Yield	Rent free
Appraisal 1	£15.00	8.00%	2.00 years
Appraisal 2	£17.50	8.00%	2.00 years
Appraisal 3	£18.00	8.00%	2.00 years
Appraisal 4	£18.50	8.25%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£18.50</b>	<b>8.00%</b>	<b>2.00 years</b>
Appraisal 6	£18.50	7.75%	2.00 years
Appraisal 7	£19.00	8.00%	2.00 years
Appraisal 8	£19.50	8.00%	2.00 years
Appraisal 9	£20.00	8.00%	2.00 years
Appraisal 10	£20.50	8.00%	2.00 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£2.50	8.50%	3.00 years	20.00%
Current use value 2	£4.00	8.50%	3.00 years	20.00%
Current use value 3	£7.00	8.00%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-23%	£0	£0	£0
Appraisal 2	-6%	£0	£0	£0
Appraisal 3	-3%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£0	£0	£0
Appraisal 7	3%	£0	£0	£0
Appraisal 8	5%	£0	£0	£0
Appraisal 9	8%	£0	£0	£0
Appraisal 10	10%	£0	£0	£0





**CURRENT USE VALUE**  
**Commercial Development**

Use class:	OFFICE
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	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	4,500					
Rent per sq ft		£3 psf		£4 psf		£7 psf	
Rental income per annum		£11,250		£18,000		£31,500	
Rent free/voids (years)		3.0	0.7829	3.0	0.7829	3.0	0.7938
Total revenue, capitalised (including all costs)		8.50%		8.50%		8.00%	
Refurbishment costs	£20 psf	£90,000		£90,000		£90,000	
Fees	7%	£6,300		£6,300		£6,300	
Capitalised rent, net of refurb and fees			£7,320		£69,492		£216,271
Purchaser's costs	5.75%		-£421		-£3,996		-£12,436
<b>Current use value</b>			<b>£6,899</b>		<b>£65,496</b>		<b>£203,836</b>
<b>CUV including Landowner premium</b>		20%	£8,279	20.00%	£78,596	20.00%	£244,603

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	INDUSTRIAL
Location:	Whole Borough (small)

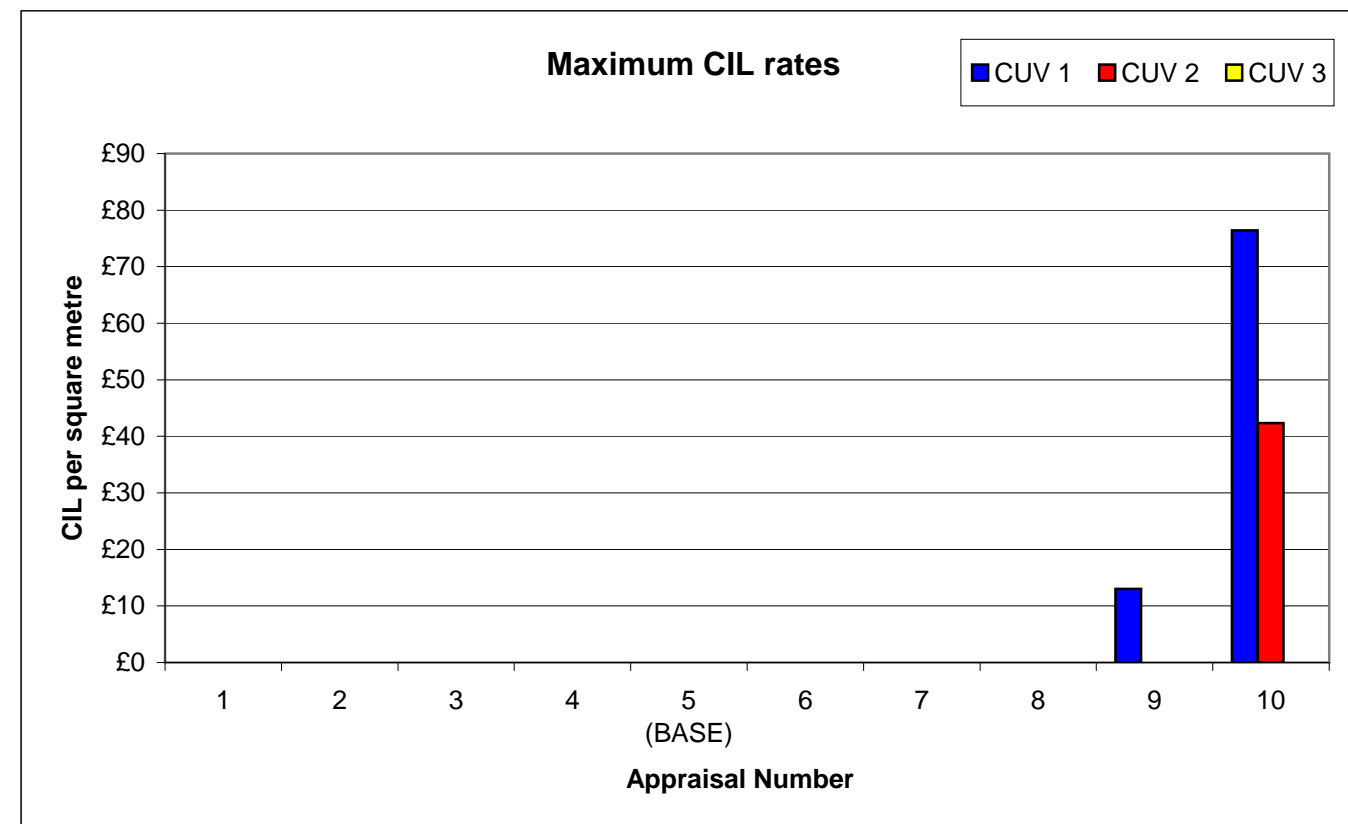
	£s per sqft	Yield	Rent free
Appraisal 1	£6.50	7.00%	1.50 years
Appraisal 2	£7.00	7.00%	1.50 years
Appraisal 3	£7.50	7.00%	1.50 years
Appraisal 4	£8.00	7.25%	1.50 years
<b>Appraisal 5 (base)</b>	<b>£8.00</b>	<b>7.00%</b>	<b>1.50 years</b>
Appraisal 6	£8.00	6.75%	1.50 years
Appraisal 7	£8.50	7.00%	1.50 years
Appraisal 8	£9.00	7.00%	1.50 years
Appraisal 9	£9.50	7.00%	1.50 years
Appraisal 10	£10.00	7.00%	1.50 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£2.50	10.00%	3.00 years	15.00%
Current use value 2	£4.00	9.00%	3.00 years	20.00%
Current use value 3	£6.00	8.50%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-23%	£0	£0	£0
Appraisal 2	-14%	£0	£0	£0
Appraisal 3	-7%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£0	£0	£0
Appraisal 7	6%	£0	£0	£0
Appraisal 8	11%	£0	£0	£0
Appraisal 9	16%	£13	£0	£0
Appraisal 10	20%	£76	£42	£0





**CURRENT USE VALUE**  
**Commercial Development**

Use class: **INDUSTRIAL**

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	3,150					
Rent per sq ft		£3 psf		£4 psf		£6 psf	
Rental income per annum		£7,875		£12,600		£18,900	
Rent free/voids (years)		3.0	0.7513	3.0	0.7722	3.0	0.7829
Total revenue, capitalised (including all costs)		10.00%		9.00%		8.50%	
Refurbishment costs	£10 psf	£31,500		£31,500		£31,500	
Fees	7%	£2,205		£2,205		£2,205	
Capitalised rent, net of refurb and fees			£25,461		£74,401		£140,377
Purchaser's costs	5.75%		-£1,464		-£4,278		-£8,072
<b>Current use value</b>			<b>£23,997</b>		<b>£70,123</b>		<b>£132,305</b>
<b>CUV including Landowner premium</b>		15%	£27,597	20.00%	£84,147	20.00%	£158,766

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	INDUSTRIAL
Location:	Whole Borough (large)

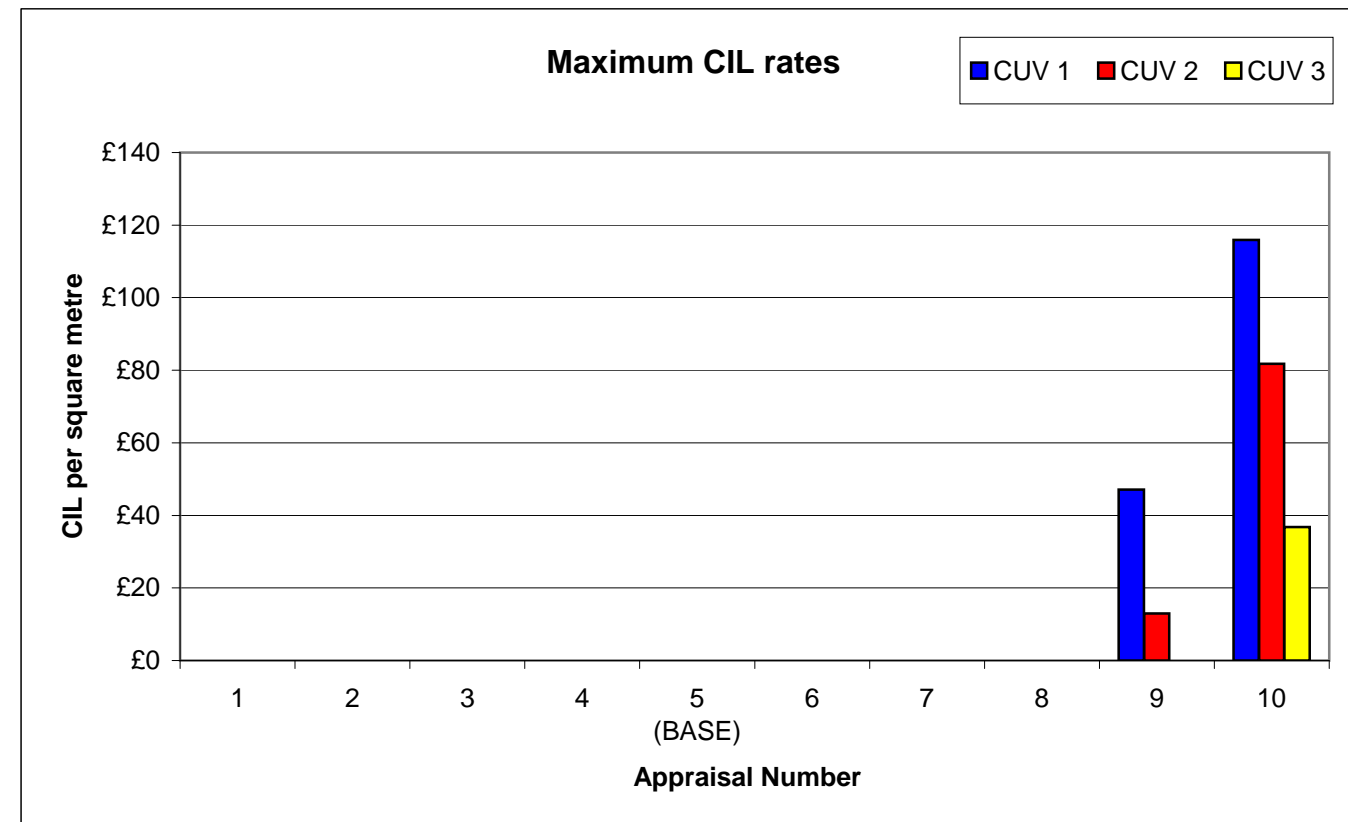
	£s per sqft	Yield	Rent free
Appraisal 1	£6.00	6.50%	1.50 years
Appraisal 2	£6.50	6.50%	1.50 years
Appraisal 3	£7.00	6.50%	1.50 years
Appraisal 4	£7.50	6.25%	1.50 years
<b>Appraisal 5 (base)</b>	<b>£7.50</b>	<b>6.50%</b>	<b>1.50 years</b>
Appraisal 6	£7.50	6.25%	1.50 years
Appraisal 7	£8.00	6.50%	1.50 years
Appraisal 8	£8.50	6.50%	1.50 years
Appraisal 9	£9.00	6.50%	1.50 years
Appraisal 10	£9.50	6.50%	1.50 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£2.50	10.00%	3.00 years	15.00%
Current use value 2	£4.00	9.00%	3.00 years	20.00%
Current use value 3	£6.00	8.50%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-25%	£0	£0	£0
Appraisal 2	-15%	£0	£0	£0
Appraisal 3	-7%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£0	£0	£0
Appraisal 7	6%	£0	£0	£0
Appraisal 8	12%	£0	£0	£0
Appraisal 9	17%	£47	£13	£0
Appraisal 10	21%	£116	£82	£37







**CURRENT USE VALUE**  
**Commercial Development**

Use class: **INDUSTRIAL**

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	24,750					
Rent per sq ft		£3 psf		£4 psf		£6 psf	
Rental income per annum		£61,875		£99,000		£148,500	
Rent free/voids (years)		3.0	0.7513	3.0	0.7722	3.0	0.7829
Total revenue, capitalised (including all costs)		10.00%		9.00%		8.50%	
Refurbishment costs	£10 psf	£247,500		£247,500		£247,500	
Fees	7%	£17,325		£17,325		£17,325	
Capitalised rent, net of refurb and fees		£200,051		£584,577		£1,102,962	
Purchaser's costs	5.75%	-£11,503		-£33,613		-£63,420	
<b>Current use value</b>		<b>£188,548</b>		<b>£550,964</b>		<b>£1,039,541</b>	
<b>CUV including Landowner premium</b>		15%	£216,830	20.00%	£661,156	20.00%	£1,247,449

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	All other retail (A1-A5)
Location:	Berkhamstead Town Centre

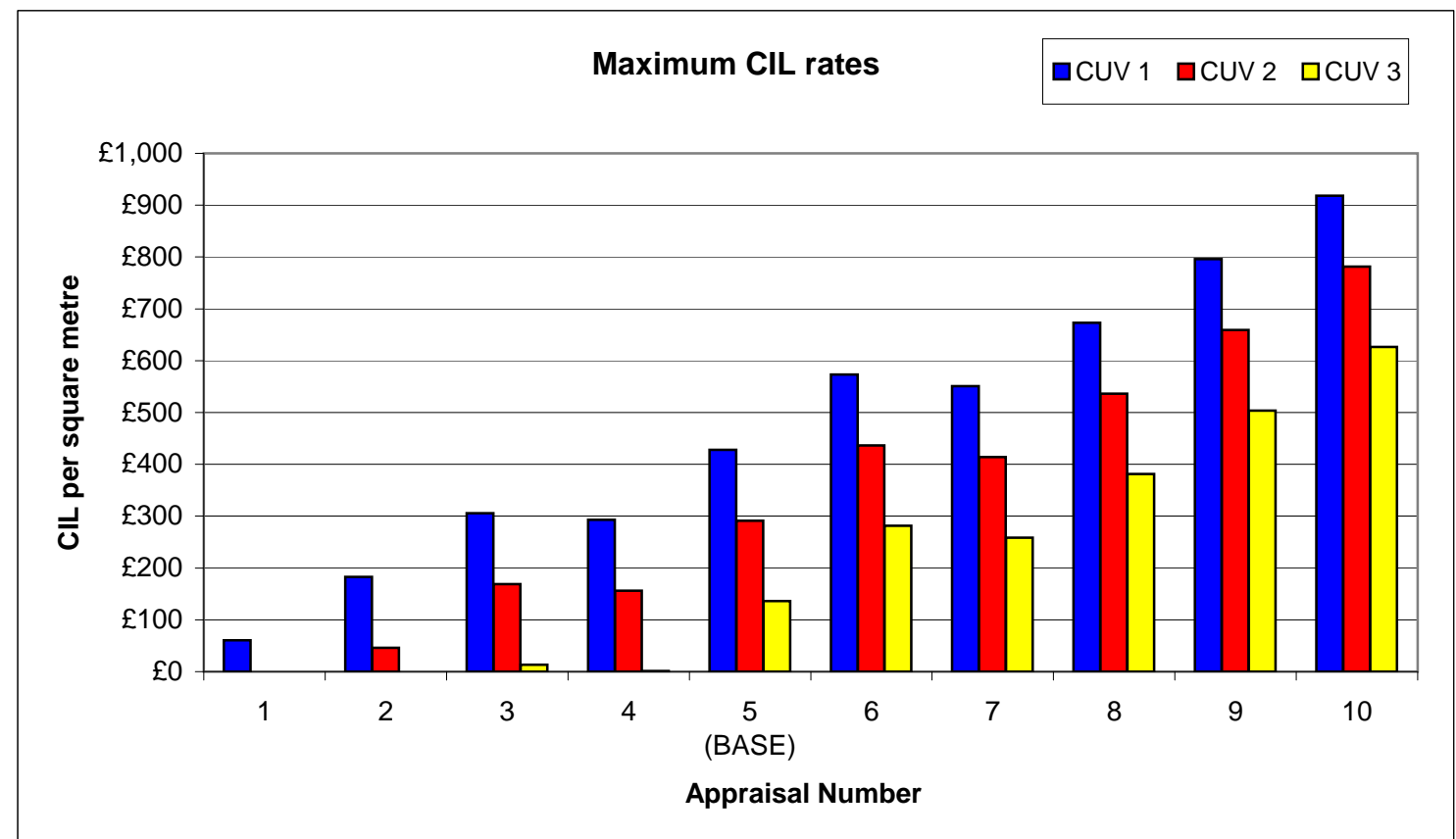
	£s per sqft	Yield	Rent free
Appraisal 1	£25.00	7.00%	2.00 years
Appraisal 2	£26.00	7.00%	2.00 years
Appraisal 3	£27.00	7.00%	2.00 years
Appraisal 4	£28.00	7.25%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£28.00</b>	<b>7.00%</b>	<b>2.00 years</b>
Appraisal 6	£28.00	6.75%	2.00 years
Appraisal 7	£29.00	7.00%	2.00 years
Appraisal 8	£30.00	7.00%	2.00 years
Appraisal 9	£31.00	7.00%	2.00 years
Appraisal 10	£32.00	7.00%	2.00 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£10.00	8.00%	3.00 years	15.00%
Current use value 2	£15.00	7.50%	3.00 years	20.00%
Current use value 3	£20.00	7.00%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-12%	£60	£0	£0
Appraisal 2	-8%	£183	£46	£0
Appraisal 3	-4%	£306	£169	£14
Appraisal 4	0%	£293	£156	£1
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£428</b>	<b>£291</b>	<b>£136</b>
Appraisal 6	0%	£573	£437	£281
Appraisal 7	3%	£551	£414	£259
Appraisal 8	7%	£673	£536	£381
Appraisal 9	10%	£796	£659	£504
Appraisal 10	13%	£918	£782	£626



**DEVELOPMENT APPRAISAL**  
**Commercial Development**

Use class:	All other retail (A1-A5)
Location:	Berkhamstead Town Centre

**DEVELOPMENT VALUE**

	Common assumptions	Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10	
		£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum
<b>Rental Income</b>	<b>Floor area</b>																				
Rent - area 1	500	£25.00	£12,500	£26	£13,000	£27.00	£13,500	£28.00	£14,000	£28.00	£14,000	£28.00	£14,000	£29.00	£14,500	£30.00	£15,000	£31.00	£15,500	£32.00	£16,000
Rent - area 2	500	£25.00	£12,500	£26	£13,000	£27.00	£13,500	£28.00	£14,000	£28.00	£14,000	£28.00	£14,000	£29.00	£14,500	£30.00	£15,000	£31.00	£15,500	£32.00	£16,000
Rent - area 3	500	£25.00	£12,500	£26	£13,000	£27.00	£13,500	£28.00	£14,000	£28.00	£14,000	£28.00	£14,000	£29.00	£14,500	£30.00	£15,000	£31.00	£15,500	£32.00	£16,000
Total floor area / rent	1,500		£37,500		£39,000		£40,500		£42,000		£42,000		£42,000		£43,500		£45,000		£46,500		£48,000
Rent free/voids (years)		2.0	0.8734	2.0	0.8734	2.0	0.8734	2.0	0.8694	2.0	0.8734	2.0	0.8775	2.0	0.8734	2.0	0.8734	2.0	0.8734	2.0	0.8734
Yield	7.00%	7.00%		7.00%		7.00%		7.25%		7.00%		6.75%		7.00%		7.00%		7.00%		7.00%	
Capitalised rent			£467,914		£486,630		£505,347		£503,636		£524,063		£546,022		£542,780		£561,496		£580,213		£598,929
<b>GROSS DEVELOPMENT VALUE</b>																					
<b>Purchaser's costs</b>	<b>5.75%</b>		£26,905		£27,981		£29,057		£28,959		£30,134		£31,396		£31,210		£32,286		£33,362		£34,438
			<b>£441,009</b>		<b>£458,649</b>		<b>£476,289</b>		<b>£474,677</b>		<b>£493,930</b>		<b>£514,625</b>		<b>£511,570</b>		<b>£529,210</b>		<b>£546,851</b>		<b>£564,491</b>

**DEVELOPMENT COSTS**

<b>Development Costs</b>																					
Existing floor area	15%	225																			
Demolition costs	£5 psf		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125
Building costs	£137 psf		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093
Area	82% grs to net	1,818																			
External works	10.00%		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909
Professional fees	10.00%		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513
Contingency	5.00%		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132
CIL	1		-		0		£0		£0		£0		£0		£0		£0		£0		£0
<b>Disposal Costs</b>																					
Letting Agent's fee (% of rent)	10.00%		£3,750		£3,900		£4,050		£4,200		£4,200		£4,200		£4,350		£4,500		£4,650		£4,800
Agent's fees (on capital value)	1.00%		£4,679		£4,866		£5,053		£5,036		£5,241		£5,460		£5,428		£5,615		£5,802		£5,989
Legal fees (% of capital value)	0.75%		£3,509		£3,650		£3,790		£3,777		£3,930		£4,095		£4,071		£4,211		£4,352		£4,492
<b>Finance on construction</b>																					
Loan arrangement fee	1.00%		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178
Interest rate	7.00%																				
Interest on Construction Costs	18 months		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683
<b>Profit</b>																					
Developer's profit on cost	20.00%		£69,914		£70,010		£70,105		£70,129		£70,201		£70,278		£70,296		£70,392		£70,487		£70,583
<b>TOTAL DEVELOPMENT COSTS</b>			<b>£419,486</b>		<b>£420,059</b>		<b>£420,632</b>		<b>£420,776</b>		<b>£421,205</b>		<b>£421,666</b>		<b>£421,778</b>		<b>£422,351</b>		<b>£422,924</b>		<b>£423,498</b>

**LAND VALUE**

Land surplus			£21,522		38,590		£55,657		£53,900		£72,724		£92,959		£89,792		£106,859		£123,926		£140,993
Stamp duty	4.00%		-£861		-£1,544		-£2,226		-£2,156		-£2,909		-£3,718		-£3,592		-£4,274		-£4,957		-£5,640
Agent's fees	1.25%		-£269		-£482		-£696		-£674		-£909		-£1,162		-£1,122		-£1,336		-£1,549		-£1,762
Legal fees	0.50%		-£108		-£193		-£278		-£270		-£364		-£465		-£449		-£534		-£620		-£705
Interest rate	6.50%		-£1,978		-£3,546		-£5,115		-£4,953		-£6,683		-£8,542		-£8,251		-£9,820		-£11,388		-£12,956
Finance period	18 months																				
<b>RESIDUAL LAND VALUE</b>			<b>£18,307</b>		<b>£32,825</b>		<b>£47,342</b>		<b>£45,848</b>		<b>£61,860</b>		<b>£79,071</b>		<b>£76,377</b>		<b>£90,895</b>		<b>£105,412</b>		<b>£119,930</b>

Less CUV 1			7,155		21,673		36,190		34,696		50,708		67,919		65,225		79,743		94,260		108,778
Less CUV 2			(9,047)		5,471		19,988		18,494		34,506		51,717		49,023		63,541		78,058		92,576
Less CUV 3			(27,429)		(12,912)		1,606		112		16,123		33,335		30,641		45,159		59,676		74,194
Net additional floorspace (sq ft)		1,275	1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275
Net additional floorspace (sq m)		118	118		118		118		118		118		118		118		118		118		118
<b>Maximum CIL per sqm</b>																					
Against CUV 1			60		183		306		293		428		573		551		673		796		918
Against CUV 2			-		46		169		156		291		437		414		536		659		782
Against CUV 3			-		-		14		1		136		281		259		381		504		626

**CURRENT USE VALUE**  
**Commercial Development**

Use class: **All other retail (A1-A5)**

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	225					
Rent per sq ft		£10 psf		£15 psf		£20 psf	
Rental income per annum		£2,250		£3,375		£4,500	
Rent free/voids (years)		3.0	0.7938	3.0	0.8050	3.0	0.8163
Total revenue, capitalised (including all costs)		8.00%		7.50%		7.00%	
Refurbishment costs	£50 psf	£11,250		£11,250		£11,250	
Fees	7%	£788		£788		£788	
Capitalised rent, net of refurb and fees			£10,289		£24,186		£40,439
Purchaser's costs	5.75%		-£592		-£1,391		-£2,325
<b>Current use value</b>			<b>£9,697</b>		<b>£22,795</b>		<b>£38,114</b>
<b>CUV including Landowner premium</b>		15%	£11,152	20.00%	£27,354	20.00%	£45,736

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	All other retail (A1-A5)
Location:	Hemel Hempstead Town Centre

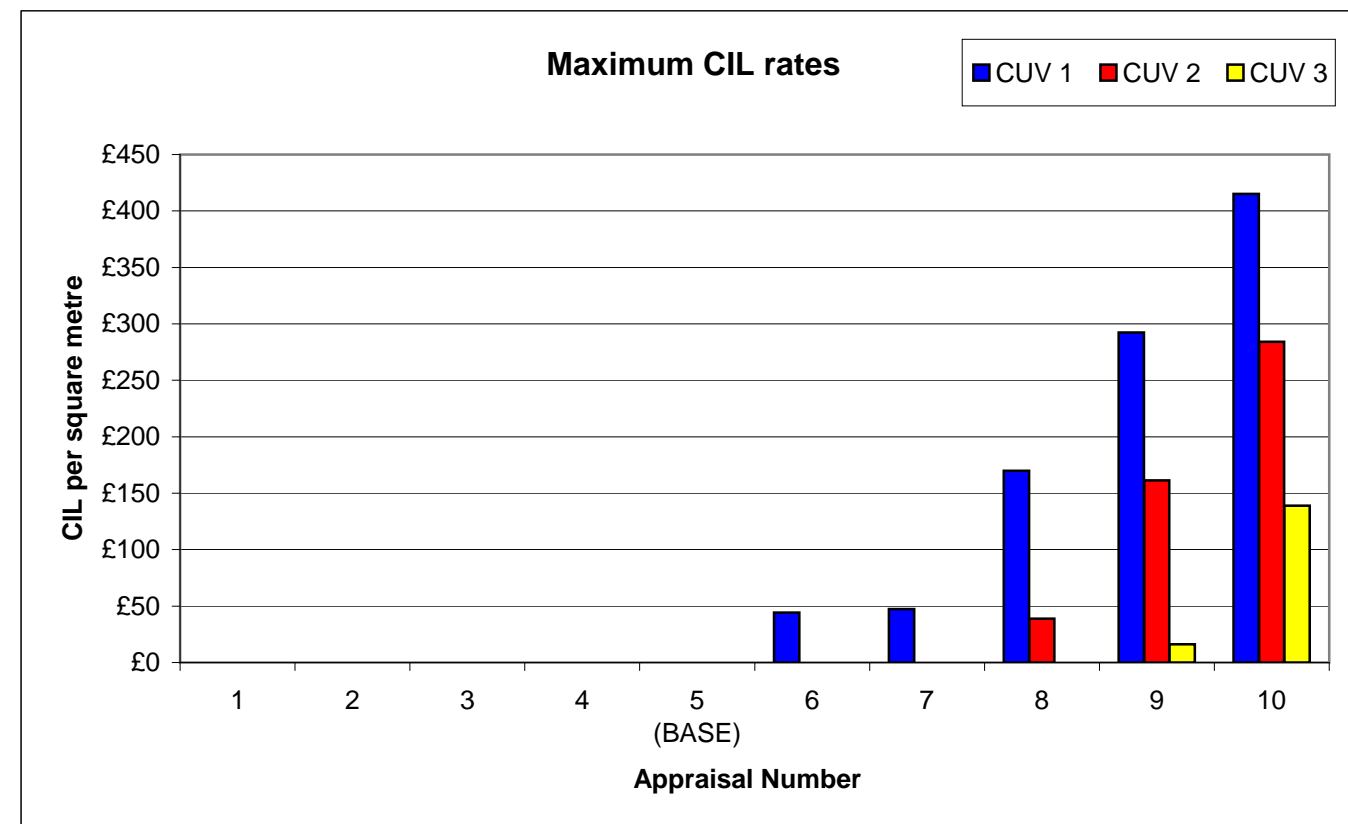
	£s per sqft	Yield	Rent free
Appraisal 1	£20.00	7.00%	2.00 years
Appraisal 2	£21.00	7.00%	2.00 years
Appraisal 3	£22.00	7.00%	2.00 years
Appraisal 4	£23.00	7.25%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£23.00</b>	<b>7.00%</b>	<b>2.00 years</b>
Appraisal 6	£23.00	6.75%	2.00 years
Appraisal 7	£24.00	7.00%	2.00 years
Appraisal 8	£25.00	7.00%	2.00 years
Appraisal 9	£26.00	7.00%	2.00 years
Appraisal 10	£27.00	7.00%	2.00 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£5.00	8.50%	3.00 years	15.00%
Current use value 2	£10.00	7.50%	3.00 years	20.00%
Current use value 3	£15.00	7.00%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-15%	£0	£0	£0
Appraisal 2	-10%	£0	£0	£0
Appraisal 3	-5%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£44	£0	£0
Appraisal 7	4%	£47	£0	£0
Appraisal 8	8%	£170	£39	£0
Appraisal 9	12%	£292	£161	£16
Appraisal 10	15%	£415	£284	£139



**DEVELOPMENT APPRAISAL**  
**Commercial Development**

Use class:	All other retail (A1-A5)
Location:	Hemel Hempstead Town Centre

**DEVELOPMENT VALUE**

Common assumptions	Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10		
	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	
<b>Rental Income</b>																					
Rent - area 1	500	£20.00	£10,000	£21	£10,500	£22.00	£11,000	£23.00	£11,500	£23.00	£11,500	£23.00	£11,500	£24.00	£12,000	£25.00	£12,500	£26.00	£13,000	£27.00	£13,500
Rent - area 2	500	£20.00	£10,000	£21	£10,500	£22.00	£11,000	£23.00	£11,500	£23.00	£11,500	£23.00	£11,500	£24.00	£12,000	£25.00	£12,500	£26.00	£13,000	£27.00	£13,500
Rent - area 3	500	£20.00	£10,000	£21	£10,500	£22.00	£11,000	£23.00	£11,500	£23.00	£11,500	£23.00	£11,500	£24.00	£12,000	£25.00	£12,500	£26.00	£13,000	£27.00	£13,500
Total floor area / rent	1,500		£30,000		£31,500		£33,000		£34,500		£34,500		£34,500		£36,000		£37,500		£39,000		£40,500
Rent free/voids (years)		2.0	0.8734		2.0	0.8734		2.0	0.8734		2.0	0.8734		2.0	0.8734		2.0	0.8734		2.0	0.8734
Yield	7.00%		7.00%		7.00%		7.00%		7.25%		7.00%		6.75%		7.00%		7.00%		7.00%		7.00%
Capitalised rent			£374,331		£393,047		£411,764		£413,701		£430,481		£448,518		£449,197		£467,914		£486,630		£505,347
<b>GROSS DEVELOPMENT VALUE</b>																					
<b>Purchaser's costs</b>	5.75%		£21,524		£22,600		£23,676		£23,788		£24,753		£25,790		£25,829		£26,905		£27,981		£29,057
			<b>£352,807</b>		<b>£370,447</b>		<b>£388,088</b>		<b>£389,913</b>		<b>£405,728</b>		<b>£422,728</b>		<b>£423,368</b>		<b>£441,009</b>		<b>£458,649</b>		<b>£476,289</b>

**DEVELOPMENT COSTS**

<b>Development Costs</b>																					
Existing floor area	15%	225																			
Demolition costs	£5 psf		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125		£1,125
Building costs	£137 psf		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093		£249,093
Area	82% grs to net	1,818																			
External works	10.00%		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909		£24,909
Professional fees	10.00%		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513		£27,513
Contingency	5.00%		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132		£15,132
CIL	1		-		0		£0		£0		£0		£0		£0		£0		£0		£0
<b>Disposal Costs</b>																					
Letting Agent's fee (% of rent)	10.00%		£3,000		£3,150		£3,300		£3,450		£3,450		£3,450		£3,600		£3,750		£3,900		£4,050
Agent's fees (on capital value)	1.00%		£3,743		£3,930		£4,118		£4,137		£4,305		£4,485		£4,492		£4,679		£4,866		£5,053
Legal fees (% of capital value)	0.75%		£2,807		£2,948		£3,088		£3,103		£3,229		£3,364		£3,369		£3,509		£3,650		£3,790
<b>Finance on construction</b>																					
Loan arrangement fee	1.00%		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178		£3,178
Interest rate	7.00%																				
Interest on Construction Costs	18 months		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683		£16,683
<b>Profit</b>																					
Developer's profit on cost	20.00%		£69,437		£69,532		£69,628		£69,665		£69,723		£69,786		£69,819		£69,914		£70,010		£70,105
<b>TOTAL DEVELOPMENT COSTS</b>			<b>£416,621</b>		<b>£417,194</b>		<b>£417,767</b>		<b>£417,988</b>		<b>£418,340</b>		<b>£418,719</b>		<b>£418,913</b>		<b>£419,486</b>		<b>£420,059</b>		<b>£420,632</b>

**LAND VALUE**

Land surplus			-£63,814		(46,747)		-£29,679		-£28,075		-£12,612		£4,009		£4,455		£21,522		£38,590		£55,657
Stamp duty	4.00%		£0		£0		£0		£0		£0		-£160		-£178		-£861		-£1,544		-£2,226
Agent's fees	1.25%		£0		£0		£0		£0		£0		-£50		-£56		-£269		-£482		-£696
Legal fees	0.50%		£0		£0		£0		£0		£0		-£20		-£22		-£108		-£193		-£278
Interest rate	6.50%		£0		£0		£0		£0		£0		-£368		-£409		-£1,978		-£3,546		-£5,115
Finance period	18 months																				
<b>RESIDUAL LAND VALUE</b>			<b>-£63,814</b>		<b>-£46,747</b>		<b>-£29,679</b>		<b>-£28,075</b>		<b>-£12,612</b>		<b>£3,410</b>		<b>£3,790</b>		<b>£18,307</b>		<b>£32,825</b>		<b>£47,342</b>

**Less CUV**

Less CUV 1			(61,998)		(44,931)		(27,863)		(26,259)		(10,796)		5,226		5,606		20,123		34,641		49,158
Less CUV 2			(77,512)		(60,445)		(43,377)		(41,772)		(26,310)		(10,288)		(9,908)		4,609		19,127		33,644
Less CUV 3			(94,713)		(77,645)		(60,578)		(58,973)		(43,511)		(27,488)		(27,109)		(12,592)		1,926		16,444
Net additional floorspace (sq ft)		1,275	1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275		1,275
Net additional floorspace (sq m)		118	118		118		118		118		118		118		118		118		118		118
<b>Maximum CIL per sqm</b>																					
Against CUV 1			-		-		-		-		-		44		47		170		292		415
Against CUV 2			-		-		-		-		-		-		-		39		161		284
Against CUV 3			-		-		-		-		-		-		-		-		16		139

**CURRENT USE VALUE**  
**Commercial Development**

Use class: **All other retail (A1-A5)**

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	225					
Rent per sq ft		£5 psf		£10 psf		£15 psf	
Rental income per annum		£1,125		£2,250		£3,375	
Rent free/voids (years)		3.0	0.7829	3.0	0.8050	3.0	0.8163
Total revenue, capitalised (including all costs)		8.50%		7.50%		7.00%	
Refurbishment costs	£50 psf	£11,250		£11,250		£11,250	
Fees	7%	£788		£788		£788	
Capitalised rent, net of refurb and fees			-£1,675	£12,111		£27,320	
Purchaser's costs	5.75%		£96	-£696		-£1,571	
<b>Current use value</b>			<b>-£1,579</b>	<b>£11,415</b>		<b>£25,749</b>	
<b>CUV including Landowner premium</b>		15%	-£1,816	20.00%	£13,698	20.00%	£30,899



## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	All other retail (A1-A5)
Location:	Rest of borough

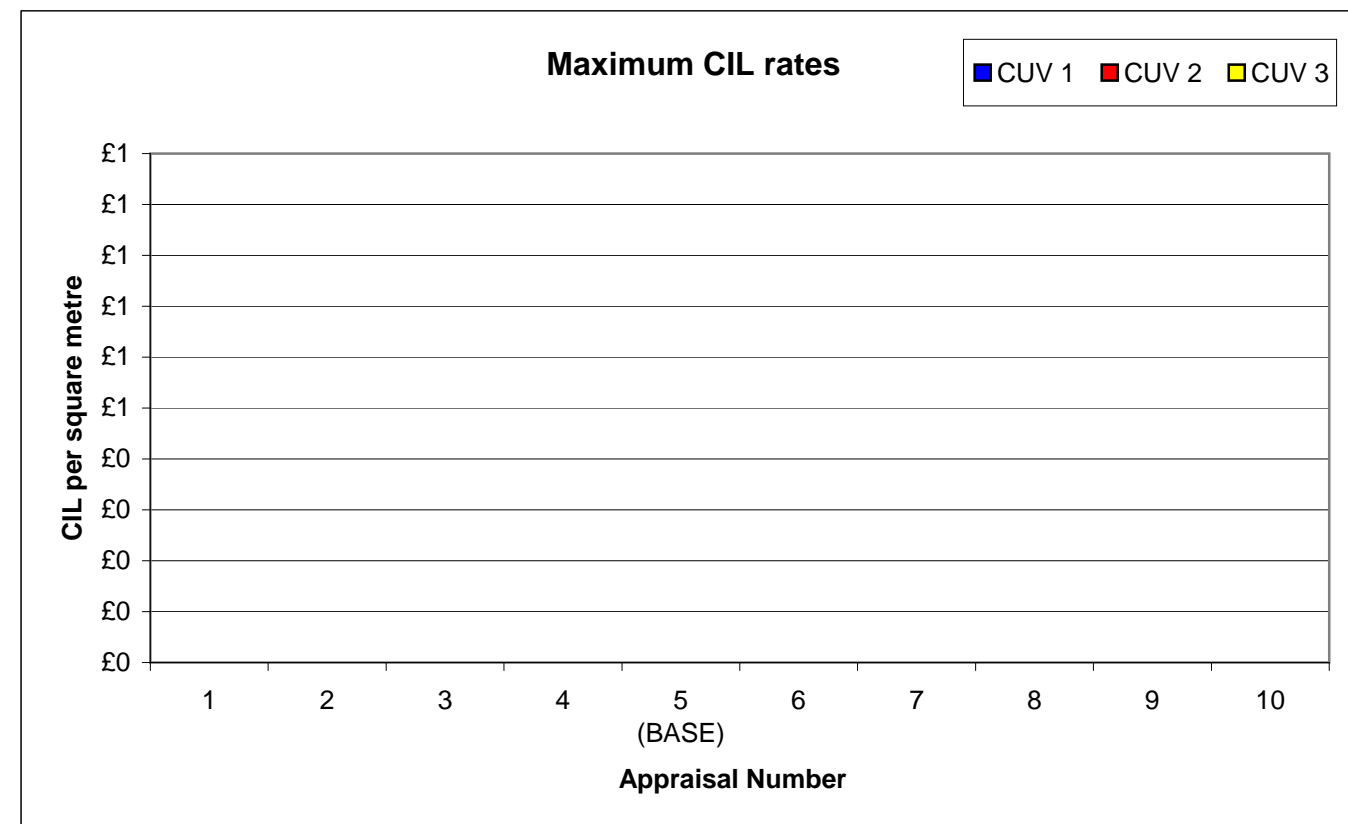
	£s per sqft	Yield	Rent free
Appraisal 1	£8.00	8.00%	2.00 years
Appraisal 2	£9.00	8.00%	2.00 years
Appraisal 3	£10.00	8.00%	2.00 years
Appraisal 4	£11.00	8.25%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£11.00</b>	<b>8.00%</b>	<b>2.00 years</b>
Appraisal 6	£11.00	7.75%	2.00 years
Appraisal 7	£12.00	8.00%	2.00 years
Appraisal 8	£13.00	8.00%	2.00 years
Appraisal 9	£14.00	8.00%	2.00 years
Appraisal 10	£15.00	8.00%	2.00 years

Existing floorspace as % of new	15%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£5.00	8.50%	3.00 years	15.00%
Current use value 2	£7.00	8.50%	3.00 years	20.00%
Current use value 3	£10.00	8.00%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-38%	£0	£0	£0
Appraisal 2	-22%	£0	£0	£0
Appraisal 3	-10%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£0	£0	£0
Appraisal 7	8%	£0	£0	£0
Appraisal 8	15%	£0	£0	£0
Appraisal 9	21%	£0	£0	£0
Appraisal 10	27%	£0	£0	£0





**CURRENT USE VALUE**  
**Commercial Development**

Use class: **All other retail (A1-A5)**

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	225					
Rent per sq ft		£5 psf		£7 psf		£10 psf	
Rental income per annum		£1,125		£1,575		£2,250	
Rent free/voids (years)		3.0	0.7829	3.0	0.7829	3.0	0.7938
Total revenue, capitalised (including all costs)		8.50%		8.50%		8.00%	
Refurbishment costs	£40 psf	£9,000		£9,000		£9,000	
Fees	7%	£630		£630		£630	
Capitalised rent, net of refurb and fees			£732		£4,877		£12,697
Purchaser's costs	5.75%		-£42		-£280		-£730
<b>Current use value</b>			<b>£690</b>		<b>£4,596</b>		<b>£11,966</b>
<b>CUV including Landowner premium</b>		15%	£793	20.00%	£5,516	20.00%	£14,360

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	Convenience supermarket/superstore and retail warehouse
Location:	Whole Borough (1,000 sq m)

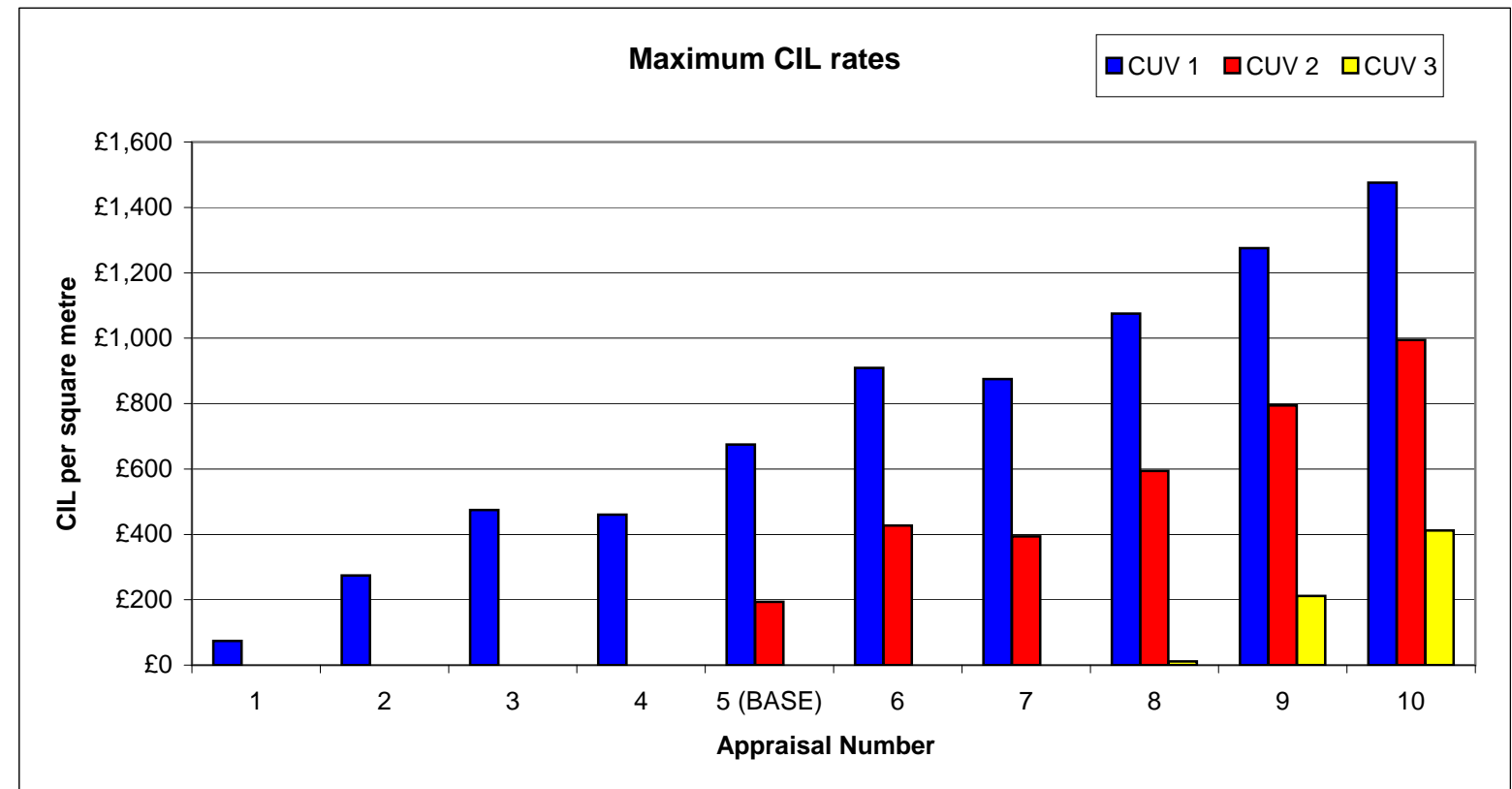
	£s per sqft	Yield	Rent free
Appraisal 1	£20.00	5.75%	2.00 years
Appraisal 2	£21.00	5.75%	2.00 years
Appraisal 3	£22.00	5.75%	2.00 years
Appraisal 4	£23.00	6.00%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£23.00</b>	<b>5.75%</b>	<b>2.00 years</b>
Appraisal 6	£23.00	5.50%	2.00 years
Appraisal 7	£24.00	5.75%	2.00 years
Appraisal 8	£25.00	5.75%	2.00 years
Appraisal 9	£26.00	5.75%	2.00 years
Appraisal 10	£27.00	5.75%	2.00 years

Existing floorspace as % of new	35%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£7.00	7.00%	2.00 years	20.00%
Current use value 2	£15.00	8.00%	2.00 years	20.00%
Current use value 3	£20.00	7.00%	2.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-15%	£74	£0	£0
Appraisal 2	-10%	£274	£0	£0
Appraisal 3	-5%	£474	£0	£0
Appraisal 4	0%	£460	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£675</b>	<b>£193</b>	<b>£0</b>
Appraisal 6	0%	£909	£428	£0
Appraisal 7	4%	£875	£394	£0
Appraisal 8	8%	£1,075	£594	£12
Appraisal 9	12%	£1,275	£794	£212
Appraisal 10	15%	£1,475	£994	£412



**DEVELOPMENT APPRAISAL**  
**Commercial Development**

Use class:	a supermarket/superstore and retail
Location:	Whole Borough (1,000 sq m)

**DEVELOPMENT VALUE**

	Common assumptions	Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10	
		£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum
<b>Rental Income</b>																					
Rent - area 1	3,588	£20.00	£71,760	£21	£75,348	£22.00	£78,936	£23.00	£82,524	£23.00	£82,524	£23.00	£82,524	£24.00	£86,112	£25.00	£89,700	£26.00	£93,288	£27.00	£96,876
Rent - area 2	3,588	£20.00	£71,760	£21	£75,348	£22.00	£78,936	£23.00	£82,524	£23.00	£82,524	£23.00	£82,524	£24.00	£86,112	£25.00	£89,700	£26.00	£93,288	£27.00	£96,876
Rent - area 3	3,588	£20.00	£71,760	£21	£75,348	£22.00	£78,936	£23.00	£82,524	£23.00	£82,524	£23.00	£82,524	£24.00	£86,112	£25.00	£89,700	£26.00	£93,288	£27.00	£96,876
Total floor area / rent	10,764		£215,280		£226,044		£236,808		£247,572		£247,572		£247,572		£258,336		£269,100		£279,864		£290,628
Rent free/voids (years)		2.0	0.8942	2.0	0.8942	2.0	0.8942	2.0	0.8900	2.0	0.8942	2.0	0.8985	2.0	0.8942	2.0	0.8942	2.0	0.8942	2.0	0.8942
Yield	5.75%	5.75%		5.75%		5.75%		6.00%		5.75%		5.50%		5.75%		5.75%		5.75%		5.75%	
Capitalised rent			£3,347,920		£3,515,316		£3,682,712		£3,672,303		£3,850,108		£4,044,212		£4,017,504		£4,184,900		£4,352,296		£4,519,692
<b>GROSS DEVELOPMENT VALUE</b>																					
Purchaser's costs	5.75%		£192,505		£202,131		£211,756		£211,157		£221,381		£232,542		£231,006		£240,632		£250,257		£259,882
			£3,155,415		£3,313,185		£3,470,956		£3,461,146		£3,628,727		£3,811,670		£3,786,498		£3,944,268		£4,102,039		£4,259,810

**DEVELOPMENT COSTS**

<b>Development Costs</b>																					
Existing floor area	35%	3,767																			
Demolition costs	£5 psf		£18,837		£18,837		£18,837		£18,837		£18,837		£18,837		£18,837		£18,837		£18,837		£18,837
Building costs	£116 psf		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015		£1,520,015
Area	82% grs to net	13,047																			
External works	10.00%		£152,002		£152,002		£152,002		£152,002		£152,002		£152,002		£152,002		£152,002		£152,002		£152,002
Professional fees	10.00%		£169,085		£169,085		£169,085		£169,085		£169,085		£169,085		£169,085		£169,085		£169,085		£169,085
Contingency	5.00%		£92,997		£92,997		£92,997		£92,997		£92,997		£92,997		£92,997		£92,997		£92,997		£92,997
CIL	1		-		0		£0		£0		£0		£0		£0		£0		£0		£0
S106	£25 psf		269,100		£269,100		£269,100		£269,100		£269,100		£269,100		£269,100		£269,100		£269,100		£269,100
<b>Disposal Costs</b>																					
Letting Agent's fee (% of rent)	10.00%		£21,528		£22,604		£23,681		£24,757		£24,757		£24,757		£25,834		£26,910		£27,986		£29,063
Agent's fees (on capital value)	1.00%		£33,479		£35,153		£36,827		£36,723		£38,501		£40,442		£40,175		£41,849		£43,523		£45,197
Legal fees (% of capital value)	0.75%		£25,109		£26,365		£27,620		£27,542		£28,876		£30,332		£30,131		£31,387		£32,642		£33,898
<b>Finance on construction</b>																					
Loan arrangement fee	1.00%		£22,220		£22,220		£22,220		£22,220		£22,220		£22,220		£22,220		£22,220		£22,220		£22,220
Interest rate	7.00%																				
Interest on Construction Costs	18 months		£116,657		£116,657		£116,657		£116,657		£116,657		£116,657		£116,657		£116,657		£116,657		£116,657
<b>Profit</b>																					
Developer's profit on cost	20.00%		£488,206		£489,007		£489,808		£489,987		£490,609		£491,289		£491,411		£492,212		£493,013		£493,814
<b>TOTAL DEVELOPMENT COSTS</b>																					
			£2,929,236		£2,934,043		£2,938,850		£2,939,923		£2,943,657		£2,947,733		£2,948,464		£2,953,271		£2,958,078		£2,962,885

**LAND VALUE**

Land surplus			£226,179		379,143		£532,106		£521,223		£685,070		£863,937		£838,034		£990,998		£1,143,961		£1,296,925
Stamp duty	4.00%		-£9,047		-£15,166		-£21,284		-£20,849		-£27,403		-£34,557		-£33,521		-£39,640		-£45,758		-£51,877
Agent's fees	1.25%		-£2,827		-£4,739		-£6,651		-£6,515		-£8,563		-£10,799		-£10,475		-£12,387		-£14,300		-£16,212
Legal fees	0.50%		-£1,131		-£1,896		-£2,661		-£2,606		-£3,425		-£4,320		-£4,190		-£4,955		-£5,720		-£6,485
Interest rate	6.50%		-£20,784		-£34,841		-£48,897		-£47,897		-£62,954		-£79,390		-£77,010		-£91,066		-£105,123		-£119,179
Finance period	18 months																				

**RESIDUAL LAND VALUE**

Less CUV 1			48,183		178,295		308,407		299,149		438,519		590,664		568,630		698,742		828,854		958,966
Less CUV 2			(264,600)		(134,488)		(4,376)		(13,634)		125,736		277,881		255,848		385,960		516,072		646,183
Less CUV 3			(642,983)		(512,871)		(382,759)		(392,016)		(252,647)		(100,502)		(122,535)		7,577		137,689		267,801
Net additional floorspace (sq ft)		6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997	6,997
Net additional floorspace (sq m)		650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650
<b>Maximum CIL per sqm</b>																					
Against CUV 1			74		274		474		460		675		909		875		1,075		1,275		1,475
Against CUV 2			-		-		-		-		193		428		394		594		794		994
Against CUV 3			-		-		-		-		-		-		-		12		212		412

**CURRENT USE VALUE**  
**Commercial Development**

Use class: Convenience supermarket/superstore and retail warehouse

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	35%	3,767					
Rent per sq ft		£7 psf		£15 psf		£20 psf	
Rental income per annum		£26,372		£56,511		£75,348	
Rent free/voids (years)		2.0	0.8734	2.0	0.8573	2.0	0.8734
Total revenue, capitalised (including all costs)		7.00%		8.00%		7.00%	
Refurbishment costs	£50 psf	£188,370		£188,370		£188,370	
Fees	7%	£13,186		£13,186		£13,186	
Capitalised rent, net of refurb and fees		£127,503		£404,058		£738,614	
Purchaser's costs	5.75%	-£7,331		-£23,233		-£42,470	
<b>Current use value</b>		<b>£120,172</b>		<b>£380,824</b>		<b>£696,143</b>	
<b>CUV including Landowner premium</b>		20%	£144,206	20.00%	£456,989	20.00%	£835,372

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	Convenience supermarket/superstore and retail warehouse
Location:	Whole Borough (5,000 sq m)

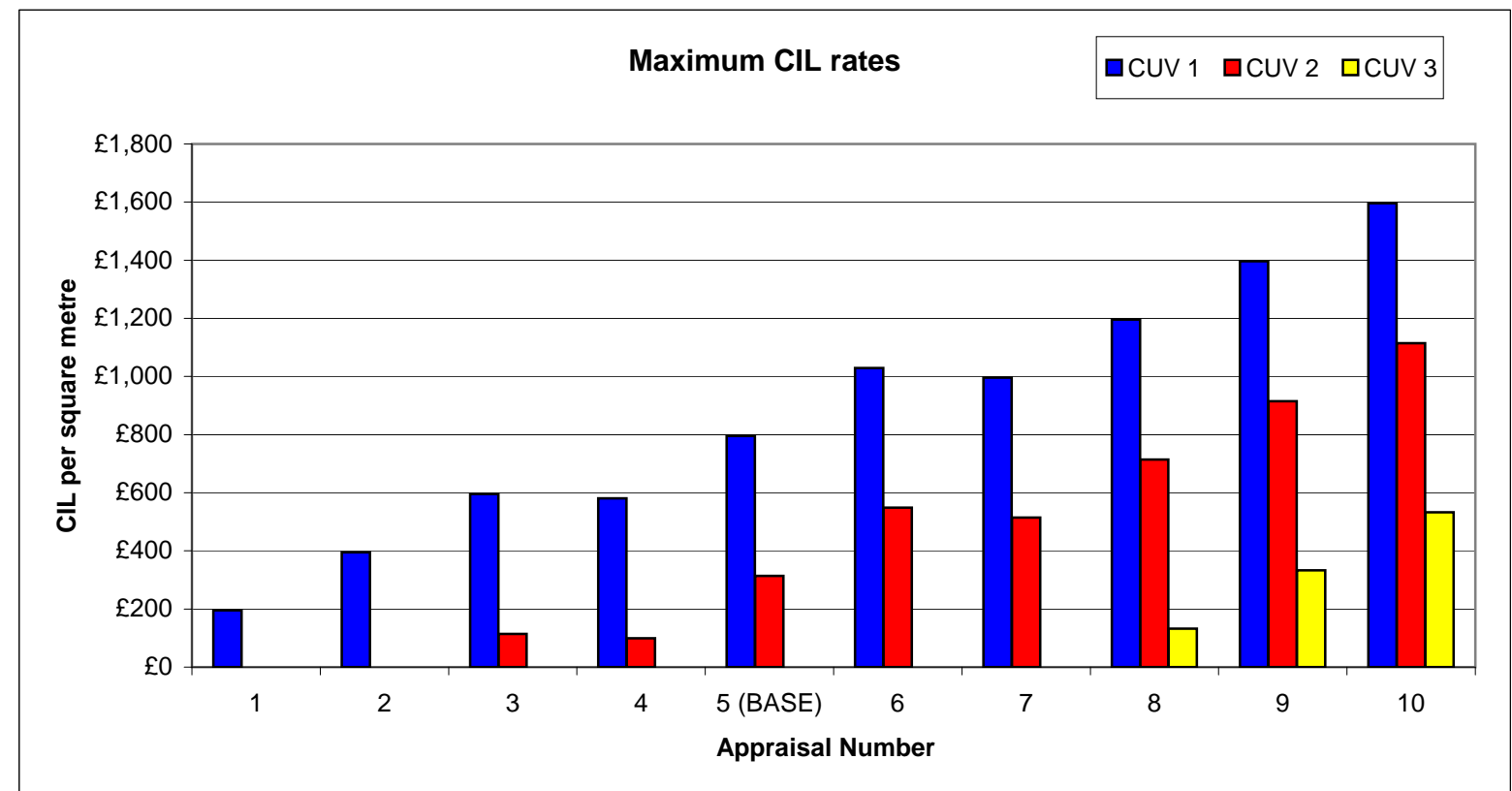
	£s per sqft	Yield	Rent free
Appraisal 1	£20.00	5.75%	2.00 years
Appraisal 2	£21.00	5.75%	2.00 years
Appraisal 3	£22.00	5.75%	2.00 years
Appraisal 4	£23.00	6.00%	2.00 years
<b>Appraisal 5 (base)</b>	<b>£23.00</b>	<b>5.75%</b>	<b>2.00 years</b>
Appraisal 6	£23.00	5.50%	2.00 years
Appraisal 7	£24.00	5.75%	2.00 years
Appraisal 8	£25.00	5.75%	2.00 years
Appraisal 9	£26.00	5.75%	2.00 years
Appraisal 10	£27.00	5.75%	2.00 years

Existing floorspace as % of new	35%
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	£s per sqft	Yield	Rent free	Premium
Current use value 1	£7.00	7.00%	2.00 years	20.00%
Current use value 2	£15.00	8.00%	2.00 years	20.00%
Current use value 3	£20.00	7.00%	2.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-15%	£195	£0	£0
Appraisal 2	-10%	£395	£0	£0
Appraisal 3	-5%	£595	£114	£0
Appraisal 4	0%	£581	£100	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£795</b>	<b>£314</b>	<b>£0</b>
Appraisal 6	0%	£1,029	£548	£0
Appraisal 7	4%	£996	£514	£0
Appraisal 8	8%	£1,196	£715	£132
Appraisal 9	12%	£1,396	£915	£333
Appraisal 10	15%	£1,596	£1,115	£533







**CURRENT USE VALUE**  
**Commercial Development**

Use class: Convenience supermarket/superstore and retail warehouse

	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	35%	18,837					
Rent per sq ft		£7 psf		£15 psf		£20 psf	
Rental income per annum		£131,859		£282,555		£376,740	
Rent free/voids (years)		2.0	0.8734	2.0	0.8573	2.0	0.8734
Total revenue, capitalised (including all costs)		7.00%		8.00%		7.00%	
Refurbishment costs	£50 psf	£941,850		£941,850		£941,850	
Fees	7%	£65,930		£65,930		£65,930	
Capitalised rent, net of refurb and fees		£637,517		£2,020,288		£3,693,068	
Purchaser's costs	5.75%	-£36,657		-£116,167		-£212,351	
<b>Current use value</b>		<b>£600,860</b>		<b>£1,904,121</b>		<b>£3,480,716</b>	
<b>CUV including Landowner premium</b>		20%	£721,032	20.00%	£2,284,945	20.00%	£4,176,860

## COMMUNITY INFRASTRUCTURE LEVY Commercial Development

Use class:	HOTEL
Location:	Dacorum

	£s per sqft	Yield	Rent free
Appraisal 1	£17.00	6.25%	
Appraisal 2	£18.00	6.25%	
Appraisal 3	£19.00	6.25%	
Appraisal 4	£20.00	6.50%	
<b>Appraisal 5 (base)</b>	<b>£20.00</b>	<b>6.25%</b>	
Appraisal 6	£20.00	6.00%	
Appraisal 7	£21.00	6.25%	
Appraisal 8	£22.00	6.25%	
Appraisal 9	£23.00	6.25%	
Appraisal 10	£24.00	6.25%	

Existing floorspace as % of new
15%

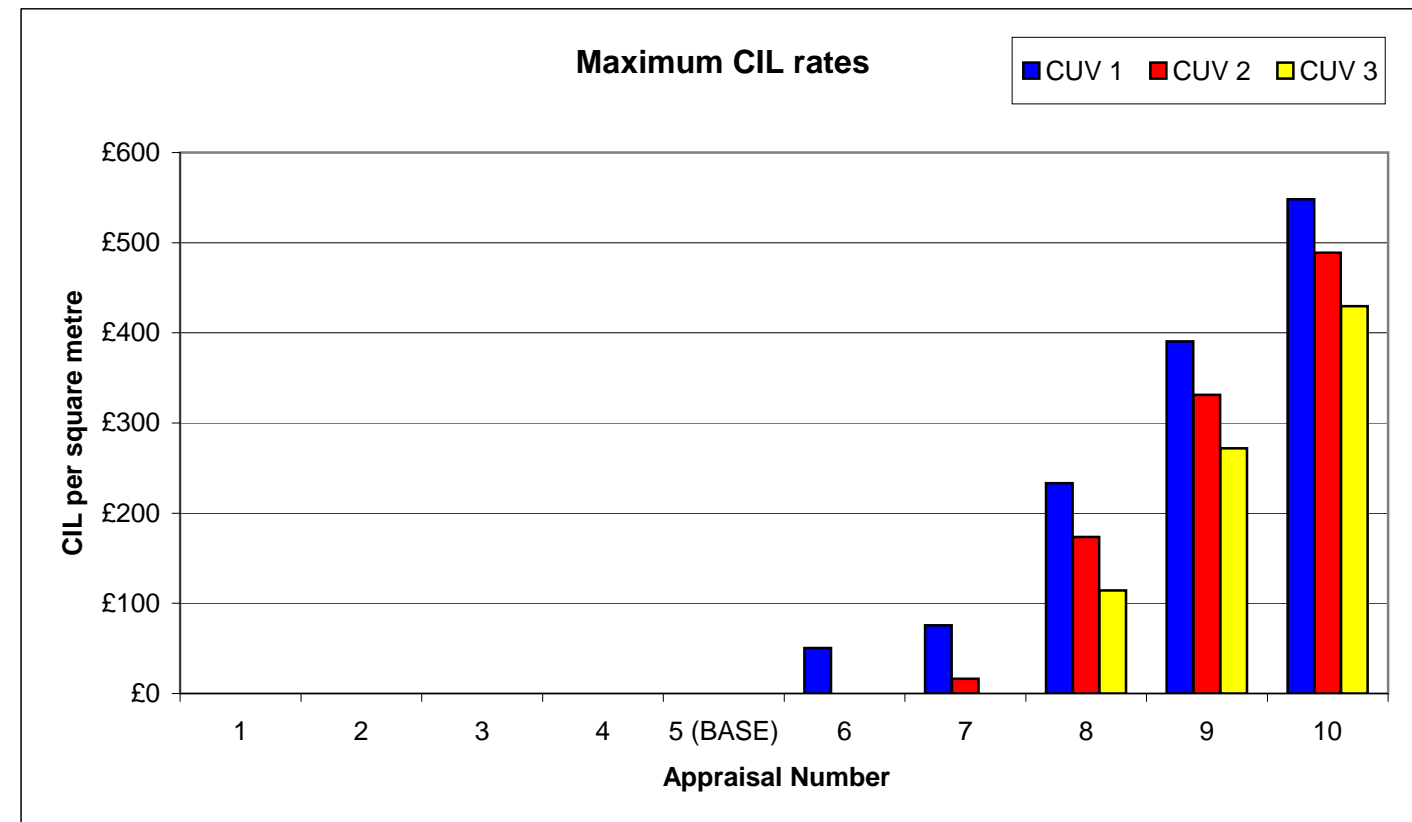
Based on information from active local agents and range of comparables in and around Dacorum area.

Room size assumed to be	250 sq ft
Value per room	£5,000
Value per sq ft	£20

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£4.00	8.50%	3.00 years	20.00%
Current use value 2	£7.00	8.50%	3.00 years	20.00%
Current use value 3	£10.00	8.50%	3.00 years	20.00%

### Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-18%	£0	£0	£0
Appraisal 2	-11%	£0	£0	£0
Appraisal 3	-5%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
<b>Appraisal 5 (base)</b>	<b>-</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>
Appraisal 6	0%	£50	£0	£0
Appraisal 7	5%	£76	£16	£0
Appraisal 8	9%	£233	£174	£114
Appraisal 9	13%	£391	£331	£272
Appraisal 10	17%	£548	£489	£429



**DEVELOPMENT APPRAISAL**  
**Commercial Development**

Use class:	<b>HOTEL</b>
Location:	<b>Dacorum</b>

**DEVELOPMENT VALUE**

	Common assumptions	Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10	
	Rooms	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum
<b>Rental Income</b>																					
Rent - area 1	27,000	£17.00	£459,000	£18	£486,000	£19.00	£513,000	£20.00	£540,000	£20.00	£540,000	£20.00	£540,000	£21.00	£567,000	£22.00	£594,000	£23.00	£621,000	£24.00	£648,000
Rent - area 2		£17.00	£0	£18	£0	£19.00	£0	£20.00	£0	£20.00	£0	£20.00	£0	£21.00	£0	£22.00	£0	£23.00	£0	£24.00	£0
Rent - area 3		£17.00	£0	£18	£0	£19.00	£0	£20.00	£0	£20.00	£0	£20.00	£0	£21.00	£0	£22.00	£0	£23.00	£0	£24.00	£0
Total floor area / rent	27,000		£459,000		£486,000		£513,000		£540,000		£540,000		£540,000		£567,000		£594,000		£621,000		£648,000
Rent free/voids (years)		-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000	-	1.0000
Yield	6.25%	6.25%		6.25%		6.25%		6.50%		6.25%		6.00%		6.25%		6.25%		6.25%		6.25%	
Capitalised rent			£7,344,000		£7,776,000		£8,208,000		£8,307,692		£8,640,000		£9,000,000		£9,072,000		£9,504,000		£9,936,000		£10,368,000
<b>GROSS DEVELOPMENT VALUE</b>																					
<b>Purchaser's costs</b>	5.75%		£422,280		£447,120		£471,960		£477,692		£496,800		£517,500		£521,640		£546,480		£571,320		£596,160
			<b>£6,921,720</b>		<b>£7,328,880</b>		<b>£7,736,040</b>		<b>£7,830,000</b>		<b>£8,143,200</b>		<b>£8,482,500</b>		<b>£8,550,360</b>		<b>£8,957,520</b>		<b>£9,364,680</b>		<b>£9,771,840</b>

**DEVELOPMENT COSTS**

<b>Development Costs</b>																					
Existing floor area	15%	4,050																			
Demolition costs	£5 psf		£20,250		£20,250		£20,250		£20,250		£20,250		£20,250		£20,250		£20,250		£20,250		£20,250
Building costs	£137 psf		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000		£4,932,000
Area	75% grs to net	36,000																			
External works	10.00%		£493,200		£493,200		£493,200		£493,200		£493,200		£493,200		£493,200		£493,200		£493,200		£493,200
Professional fees	10.00%		£544,545		£544,545		£544,545		£544,545		£544,545		£544,545		£544,545		£544,545		£544,545		£544,545
Contingency	5.00%		£299,500		£299,500		£299,500		£299,500		£299,500		£299,500		£299,500		£299,500		£299,500		£299,500
CIL	1		-		0		£0		£0		£0		£0		£0		£0		£0		£0
<b>Disposal Costs</b>																					
Letting Agent's fee (% of rent)	10.00%		£45,900		£48,600		£51,300		£54,000		£54,000		£54,000		£56,700		£59,400		£62,100		£64,800
Agent's fees (on capital value)	1.00%		£73,440		£77,760		£82,080		£83,077		£86,400		£90,000		£90,720		£95,040		£99,360		£103,680
Legal fees (% of capital value)	0.75%		£55,080		£58,320		£61,560		£62,308		£64,800		£67,500		£68,040		£71,280		£74,520		£77,760
<b>Finance on construction</b>																					
Loan arrangement fee	1.00%		£62,895		£62,895		£62,895		£62,895		£62,895		£62,895		£62,895		£62,895		£62,895		£62,895
Interest rate	7.00%																				
Interest on Construction Costs	18 months		£330,198		£330,198		£330,198		£330,198		£330,198		£330,198		£330,198		£330,198		£330,198		£330,198
<b>Profit</b>																					
Developer's profit on cost	20.00%		£1,371,402		£1,373,454		£1,375,506		£1,376,395		£1,377,558		£1,378,818		£1,379,610		£1,381,662		£1,383,714		£1,385,766
<b>TOTAL DEVELOPMENT COSTS</b>			<b>£8,228,410</b>		<b>£8,240,722</b>		<b>£8,253,034</b>		<b>£8,258,367</b>		<b>£8,265,346</b>		<b>£8,272,906</b>		<b>£8,277,658</b>		<b>£8,289,970</b>		<b>£8,302,282</b>		<b>£8,314,594</b>

**LAND VALUE**

Land surplus			-£1,306,690		(911,842)		-£516,994		-£428,367		-£122,146		£209,594		£272,702		£667,550		£1,062,398		£1,457,246
Stamp duty	4.00%		£0		£0		£0		£0		£0		-£8,384		-£10,908		-£26,702		-£42,496		-£58,290
Agent's fees	1.25%		£0		£0		£0		£0		£0		-£2,620		-£3,409		-£8,344		-£13,280		-£18,216
Legal fees	0.50%		£0		£0		£0		£0		£0		-£1,048		-£1,364		-£3,338		-£5,312		-£7,286
Interest rate	6.50%		£0		£0		£0		£0		£0		-£19,260		-£25,060		-£61,344		-£97,628		-£133,912
Finance period	18 months																				
<b>RESIDUAL LAND VALUE</b>			<b>-£1,306,690</b>		<b>-£911,842</b>		<b>-£516,994</b>		<b>-£428,367</b>		<b>-£122,146</b>		<b>£178,282</b>		<b>£231,962</b>		<b>£567,822</b>		<b>£903,683</b>		<b>£1,239,543</b>

Less CUV 1			(1,377,426)		(982,578)		(587,730)		(499,104)		(192,882)		107,546		161,226		497,086		832,946		1,168,807
Less CUV 2			(1,503,996)		(1,109,148)		(714,300)		(625,674)		(319,452)		(19,024)		34,656		370,516		706,376		1,042,237
Less CUV 3			(1,630,566)		(1,235,718)		(840,870)		(752,244)		(446,022)		(145,594)		(91,914)		243,946		579,806		915,667
Net additional floorspace (sq ft)		22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950	22,950
Net additional floorspace (sq m)		2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132
<b>Maximum CIL per sqm</b>																					
Against CUV 1			-		-		-		-		-		50		76		233		391		548
Against CUV 2			-		-		-		-		-		-		16		174		331		489
Against CUV 3			-		-		-		-		-		-		-		114		272		429

**CURRENT USE VALUE**  
**Commercial Development**

Use class:	HOTEL
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	Common assumptions	CUV 1		CUV 2		CUV 3	
<b>Current use value</b>							
Existing space as percentage of new	15%	4,050					
Rent per sq ft		£4 psf		£7 psf		£10 psf	
Rental income per annum		£16,200		£28,350		£40,500	
Rent free/voids (years)		3.0	0.7829	3.0	0.7829	3.0	0.7829
Total revenue, capitalised (including all costs)		8.50%		8.50%		8.50%	
Refurbishment costs	£20 psf	£81,000		£81,000		£81,000	
Fees	7%	£5,670		£5,670		£5,670	
Capitalised rent, net of refurb and fees			£62,543		£174,453		£286,363
Purchaser's costs	5.75%		-£3,596		-£10,031		-£16,466
<b>Current use value</b>			<b>£58,947</b>		<b>£164,422</b>		<b>£269,897</b>
<b>CUV including Landowner premium</b>		20%	£70,736	20.00%	£197,306	20.00%	£323,876

## DEVELOPMENT APPRAISAL

### Commercial Development

Use class: EXTRA CARE

DEVELOPMENT VALUE			
<b>Rental Income</b>	Area	£ psf	£ per annum
Rent - area 1	25,000	20.05	501,250
Rent - area 2			-
Rent - area 3			-
Total rental income	25,000		501,250
Rent free/voids (years)	-	1.0000	
Total revenue, capitalised (including all costs)		6.00%	8,354,167
<b>GROSS DEVELOPMENT VALUE</b>			8,354,167
<b>Purchaser's costs</b>	5.75%	480,365	<b>7,873,802</b>
			3,390

DEVELOPMENT COSTS			
<b>Development Costs</b>			
Demolition costs	£5 psf	12,500 sqt	62,500
Building costs	£99 psf		4,114,796
Area	41,667	60% grs to net	
External works		10.00%	411,480
Professional fees		10.00%	458,878
Section 106 costs			50,000
<b>Disposal Costs</b>			
Letting Agent's fee (% of rent )		10.00%	50,125
Agent's fees (on capital value)		1.00%	83,542
Legal fees (% of capital value)		0.75%	62,656
<b>Interest on Finance</b>			
Total development duration	18 months		
Loan arrangement fee		1.00%	50,977
Interest on Construction Costs	18 months	6.50%	248,511
<b>Profit</b>			
Developer's profit on Total Revenue		20.00%	1,574,760
<b>TOTAL DEVELOPMENT COSTS</b>			<b>7,168,224</b>

LAND VALUE			
Land surplus			705,578
Stamp duty		4.00%	(28,223)
Agent's fees		1.25%	(8,820)
Legal fees		0.50%	(3,528)
Interest on land finance	18 months	6.50%	(64,838)
<b>RESIDUAL LAND VALUE</b>			<b>600,169</b>

<b>Existing use value</b>			
Assumes existing space is 50% of new	50%	12,500	
Rent per sq ft		£10 psf	
Rental income per annum		125,000	
Rent free/voids (years)	3	0.7938	
Total revenue, capitalised (including all costs)		8.00%	1,240,363
Refurbishment costs	£50 psf	625,000	
Fees	7%	43,750	
Purchaser's costs	5.75%		32,868
<b>Existing use value</b>			<b>538,745</b>

EUV including Landowner premium 20% 646,494

Surplus available to fund CIL (46,325)

(23) Max CIL charge £ per sq m with 15% existing floorspace deducted

## DEVELOPMENT APPRAISAL

### Commercial Development

Use class:	EXTRA CARE
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#### DEVELOPMENT VALUE

	Area	£ psf	£ per annum
<b>Rental Income</b>			
Rent - area 1	25,000	14.01	350,250
Rent - area 2			-
Rent - area 3			-
Total rental income	25,000		350,250
Rent free/voids (years)	-	1.0000	
Total revenue, capitalised (including all costs)		6.00%	5,837,500
<b>GROSS DEVELOPMENT VALUE</b>			5,837,500
<b>Purchaser's costs</b>	5.75%	335,656	<b>5,501,844</b>

2,369

#### DEVELOPMENT COSTS

<b>Development Costs</b>			
Demolition costs	£5 psf	12,500 sqt	62,500
Building costs	£99 psf		4,114,796
Area	41,667	60% grs to net	
External works		10.00%	411,480
Professional fees		10.00%	458,878
Section 106 costs			50,000
<b>Disposal Costs</b>			
Letting Agent's fee (% of rent )		10.00%	35,025
Agent's fees (on capital value)		1.00%	58,375
Legal fees (% of capital value)		0.75%	43,781
<b>Interest on Finance</b>			
Total development duration	18 months		
Loan arrangement fee		1.00%	50,977
Interest on Construction Costs	18 months	6.50%	248,511
<b>Profit</b>			
Developer's profit on Total Revenue		20.00%	1,100,369
<b>TOTAL DEVELOPMENT COSTS</b>			<b>6,634,691</b>

#### LAND VALUE

Land surplus			(1,132,847)
Stamp duty		4.00%	45,314
Agent's fees		1.25%	14,161
Legal fees		0.50%	5,664
Interest on land finance	18 months	6.50%	104,102
<b>RESIDUAL LAND VALUE</b>			<b>(963,607)</b>

#### Existing use value

Assumes existing space is 50% of new	50%	12,500	
Rent per sq ft		£10 psf	
Rental income per annum		125,000	
Rent free/voids (years)		3	0.7938
Total revenue, capitalised (including all costs)			8.00%
			1,240,363
Refurbishment costs		£50 psf	625,000
Fees		7%	43,750
Purchaser's costs		5.75%	32,868

**Existing use value** **538,745**

EUV including Landowner premium 20% 646,494

Surplus available to fund CIL (1,610,101)

(816) Max CIL charge £ per sq m with 15% existing floorspace c

## DEVELOPMENT APPRAISAL

### Commercial Development

Use class: Extra Care

DEVELOPMENT VALUE			
<u>Rental Income</u>	Area	£ psf	£ per annum
Rent - area 1	25,000	19.09	477,250
Rent - area 2			-
Rent - area 3			-
Total rental income	25,000		477,250
Rent free/voids (years)		1.0000	
Total revenue, capitalised (including all costs)		6.00%	7,954,167
<b>GROSS DEVELOPMENT VALUE</b>			<b>7,954,167</b>
<b>Purchaser's costs</b>	5.75%	457,365	<b>7,496,802</b>
			3,228

DEVELOPMENT COSTS			
<u>Development Costs</u>	£5 psf	12,500 sqt	
Demolition costs			62,500
Building costs	£99 psf		4,114,796
Area	41,667	60% grs to net	
External works			10.00% 411,480
Professional fees			10.00% 458,878
Section 106 costs			50,000
<u>Disposal Costs</u>			
Letting Agent's fee (% of rent )			10.00% 47,725
Agent's fees (on capital value)			1.00% 79,542
Legal fees (% of capital value)			0.75% 59,656
<u>Interest on Finance</u>			
Total development duration	18 months		
Loan arrangement fee			1.00% 50,977
Interest on Construction Costs	18 months		6.50% 248,511
<u>Profit</u>			
Developer's profit on Total Revenue			20.00% 1,499,360
<b>TOTAL DEVELOPMENT COSTS</b>			<b>7,083,424</b>

LAND VALUE			
Land surplus			413,378
Stamp duty		4.00%	(16,535)
Agent's fees		1.25%	(5,167)
Legal fees		0.50%	(2,067)
Interest on land finance	18 months	6.50%	(37,987)
<b>RESIDUAL LAND VALUE</b>			<b>351,622</b>

Existing use value			
Assumes existing space is 50% of new	50%	12,500	
Rent per sq ft		£10 psf	
Rental income per annum		125,000	
Rent free/voids (years)		3	0.7938
Total revenue, capitalised (including all costs)			8.00% 1,240,363
Refurbishment costs	£50 psf		625,000
Fees		7%	43,750
Purchaser's costs	5.75%		32,868
<b>Existing use value</b>			<b>538,745</b>

EUV including Landowner premium 20% 646,494

Surplus available to fund CIL (294,872)

(149) Max CIL charge £ per sq m with 15% existing floorspace deducted