

**AFFORDABLE HOUSING VIABILITY REPORT
FOR RESIDENTIAL DEVELOPMENT AT THE NORTH
STREET ARCADE, HAVANT, HAMPSHIRE, PO9 1BX.**

On behalf of Zionstone Ltd

**By Simon Corp BSc (Hons)
19th February 2020**



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1.0 Introduction and Instructions

- 1.1 S106 Affordable Housing Ltd have been instructed by Zionstone Ltd to prepare an affordable housing viability study to determine the viable level of affordable housing provision that can be delivered on the proposed development at the North Street Parade, Havant providing new retail space and 30no apartments.
- 1.2 The report has been prepared by Simon Corp. I have a BSc (Hons) in Residential Development from Nottingham-Trent University and 26 years experience in affordable housing development with periods of time working directly for Registered Providers developing affordable housing projects including Raglan now Stonewater, Sovereign and Eastleigh Housing now Vivid. I am a Director of S106 Affordable Housing a specialist consultancy providing viability, development and affordable housing consultancy services.
- 1.3 We also provided a viability assessment for the previous planning application for 21no apartments, this was reviewed by Dixon Searle Partnership (DSP) in their report dated June 2019 and we have made reference to the DSP assumptions through this report. In general terms we have adopted the assumptions previously proposed by DSP to maintain consistency with the previously agreed viability assessment.
- 1.4 The purpose of the study is to set out the policy background, development details, viability and cost issues and make a case for the level of affordable housing provision the development can viably sustain. Our methodology will be to carry out a viability assessment without any affordable housing and compare this with the benchmark land value on an existing use value plus premium or alternative use basis in line with the Planning Practice Guidance to determine the total development surplus that is available to fund any affordable housing provision.
- 1.5 The appraisal has been carried out using the HCA (now Homes England) Development Appraisal Toolkit (DAT), where information is not available any assumptions made are either in line with industry norms or the default settings of the toolkit.
- 1.6 The updated NPPF and Planning Practice Guidance (Viability) issued in July 2018 state that an applicant must make a case why a viability assessment is required and any viability assessment should make reference to the assumptions which underpin the Local Plan policy. The Local Plan was adopted in 2011 but we note DSP produced a Local Plan and CIL Viability Assessment in January 2019, in common with most borough wide assessments this is based on a range of development typologies and broad assumptions and so a site specific viability assessment is required to compare the borough wide assumptions with the site specific circumstances.

2.0 Viability Assessment

- 2.1 The site is currently occupied by 9no existing retail units on the ground floor with ancillary first floor space. The site has a planning consent granted in 2019 for new ground floor retail space and 21no apartments with no requirement to provide affordable housing. The current proposal is to redevelop the site with 6no retail units with a total NIA of 342m² and 30no new one and two bedroom apartments.
- 2.2 The Havant Core Strategy adopted in 2011 under policy CS9 requires affordable housing provision at 30-40%, if we take the mid point of 35% affordable housing provision this will equate to 10no units which we have assumed would be delivered as 7no units for affordable rent and 3no for shared ownership.
- 2.3 S106 Affordable Housing has been instructed to assess if the policy compliant level of affordable housing provision can be delivered and if not the maximum level of affordable housing the scheme can viably support. A site is deemed to be viable if the residual land value derived from the proposed scheme is above the existing use benchmark value of the site and therefore generates a surplus to support affordable housing provision. Our methodology will therefore be to prepare an DAT appraisal with no affordable housing and compare this to the existing use value of the site to determine if a surplus is generated to support affordable housing provision. The DAT works by putting the existing use benchmark value of the site into the appraisal as a land cost and calculating if a surplus is generated that would support affordable housing delivery.
- 2.4 The DAT appraisal with no affordable housing shows a negative viability position with a deficit of -£541,957 and therefore we have to conclude no surplus is generated by the scheme to fund any affordable housing contribution.
- 2.5 To populate the DAT we therefore need to establish the existing benchmark land value of the site. The RICS Financial Viability in Planning guidance recommended a market value approach but subsequent appeal judgements have moved away from the market value approach and adopted the EUV plus premium method which essentially means assessing the existing use value of the land with its current lawful planning use and adding on a landowners margin to provide an incentive to encourage them to release the land for development. This approach has been further reinforced by the updated Planning Practice Guidance which advocates the use of the EUV plus premium method to establish the benchmark land value. The guidance also states the benchmark land value can be based an alternative use basis if planning consents exists for that use but an AUV value is deemed to already include the landowners incentive.

- 2.6 In the previous viability assessment the existing use value was based on the investment value of the existing retail units and with the landowners premium the benchmark land value was proposed at £720,000. DSP reviewed the viability in June 2019 and adopted a lower landowners premium resulting in a benchmark land value at £660,000. Whilst we don't agree this level provides the landowner with sufficient incentive for consistency with the previous viability assessment we have adopted the same assumption.
- 2.7 An appraisal of the scheme based on an all open market DAT without any affordable housing provision allowing for the benchmark land value shows a negative viability position with a deficit of -£541,957 and clearly therefore the site is unable to viably support any affordable housing provision. Allowing for the viability deficit the development can come forward providing a return at 4% of GDV but this is well below the normal levels of developer return set out in the Planning Practice Guidance of 15-20% of GDV where a developer would be deemed to be making sufficient return to be in a position to be able to contribute to affordable housing delivery.
- 2.8 We have run a second DAT on a policy compliant basis with 7no units for affordable rent and 3no for shared ownership and this shows an increased deficit at -£617,224 which is clearly not viable.
- 2.9 The appraisal allows for CIL on the net increase of floor area and all the financial assumptions are in line with the DSP viability review of the previous scheme in June 2019. As with the previous scheme the viability pressure is generated by a combination of the existing use value coupled with relatively low sales values in the context of the sub region with standard build costs and the need for the developer to make a commercial return to offset the development risk.
- 2.10 In summary the appraisal without any affordable housing shows viability deficit of -£541,957 and clearly therefore no surplus is generated by the development to support any affordable housing contribution. For the site to come forward the developer will need to take a commercial decision to accept a level of return below the levels recommended in the Planning Practice Guidance of 15-20% and any requirement to provide affordable housing will threaten deliver of the development.

3.0 Policy Background

Local Plan Policies

- 3.1 Havant Borough Council affordable housing policy is contained within the Core Strategy which was adopted in March 2011.
- 3.2 The affordable housing Policy CS9 states that planning permission will be granted for housing proposals that will deliver on average 30-40% affordable housing on sites of 15no dwellings or more and secure a suitable contribution, or on-site provisions, equivalent to on average 30-40% on smaller housing developments between 5no and 14no dwellings (gross), unless a lesser requirement has been transparently justified on viability grounds.

National Planning Policy Framework February 2019

- 3.3 Following a consultation period the revised NPPF was issued on 24th July 2018 and updated in February 2019, the main sections which effect s106 viability are outlined below.
- 3.4 Section 34 states that Local Plans should set out the obligations that are expected from developments including affordable housing, however it says that such plans should not undermine the deliverability of the plan.
- 3.5 As set out in the 2012 framework planning obligations should only be sought where they meet the following tests:
- Necessary to make the development acceptable in planning terms.
 - Directly related to the development
 - Fairly and reasonably related in scale and kind to the development
- 3.6 Section 57 of the framework sets out one of the keys changes around viability, this states that where policies around contributions have been set out in the plan, schemes that comply with them will be deemed to be viable. It is up to the applicant to demonstrate that particular circumstances differ from the Local Plan assumptions which require a viability assessment. Such examples would be particular existing use that was not modelled at plan making stage, abnormal costs or movement in the market since the plan was adopted.
- 3.7 It is expected that 10% of homes should be made available as starter homes a form of discounted market sale apart from some specified exceptions.

- 3.8 Section 63 states that affordable housing should only be sought from major developments defined as scheme of 10 or more units.

Planning Practice Guidance Updated May 2019

- 3.9 The viability section of the Planning Practice Guidance has also been updated and there have been some changes introduced in the recommended assumptions for constructing a viability assessment. The key change being land value should be based on an EUV plus premium valuation method. The guidance now also states that a viability assessment should refer back to the viability assumptions which backed up the Local Plan and should evidence how circumstances have changed to justify the need for a viability assessment.
- 3.10 The guidance now specifically states the EUV plus premium method should be adopted where as before a range of options were set out including the market value approach. This is a clear change of direction to provide more clarity on how to set a benchmark land value in a viability assessment.
- 3.11 The guidance also states that the use of an alternative use value is allowed if it is a reasonable alternative use and a planning consent on the site exists for that use.
- 3.12 The guidance states that developer's return in the range of 15-20% of gross development value is appropriate for plan making purposes but alternative levels can be utilised where it is justified by the scale and complexity of the development.
- 3.13 The guidance also states methodologies for assessing gross development value and build costs but these are broadly unchanged since the previous version of the guidance.
- 3.14 The guidance states that a viability assessment should be presented in a clear way so the assumptions for GDV, costs and developers profit are clear.

Impact of Social Rent Changes 9th November 2015

- 3.15 A ministerial statement from Brandon Lewis MP, Minister of State for Housing and Planning, recognised that following the Budget 2015 announcement of reductions in social rents in the four years from 2016 – 20, Housing Associations have been forced to reconsider their financial commitments. As a result some schemes where housing associations are engaged with house builders through s106 agreements are being adversely

impacted. In this statement, Mr Lewis recognises that this creates a risk to the Government and Local Authorities because of the potential for it to delay homes coming forward and impact on how councils will be able to demonstrate a five year land supply of deliverable housing land.

- 3.16 In the statement the Minister reminds Local Authorities that S106 agreements maybe renegotiated at any time by mutual consent and reinforces that “planning guidance is clear that local planning authorities should be flexible in their requirements, taking into account specific site circumstances and changing circumstances”.
- 3.17 He goes on to state “Developers are already entitled to apply to modify any obligation over five years old. They are also able to apply to revise the affordable housing element of any Section 106 planning obligation if it can evidence that the affordable housing element is making the scheme unviable and is stalling development”.
- 3.18 Mr Lewis urges planning authorities to “respond constructively, rapidly and positively ... and to take a pragmatic and proportionate approach to viability”.

4 Cost and Values

Existing Use Value (EUV)

- 4.1 The RICS Financial Viability in Planning guidance recommended a market value approach but subsequent appeal judgements have moved away from the market value approach and adopted the EUV plus premium method which essentially means assessing the existing use value of the land with its current lawful planning use and adding on a landowners margin to provide an incentive to encourage them to release the land for development. This approach has been further reinforced by the updated Planning Practice Guidance which advocates the use of the EUV plus premium method to establish the benchmark land value. The guidance also states the benchmark land value can be based on an alternative use basis if planning consents exist for that use but an AUV value is deemed to already include the landowners incentive.
- 4.2 In the previous viability assessment the existing use value was based on the investment value of the existing retail units and with the landowners premium the benchmark land value was proposed at £720,000. DSP reviewed the viability in June 2019 and adopted a lower landowners premium resulting in a benchmark land value at £660,000. Whilst we don't agree this level provides the landowner with sufficient incentive for consistency with the previous viability assessment we have adopted the same assumption.

Sales values

- 4.3 The DSP viability review for the previous application undertaken in June 2019 confirmed an average value at £3,144/m² was reasonable. To review if this value remains a reasonable market level we have looked at current comparable evidence available in the market within 0.5 miles of the site.
- 4.4 For the one bedroom apartments we identified two recently constructed properties on the market, a one bedroom apartment on Bulbeck Road with a floor area of 45.8m² with an asking price of £150,000 which equates to £3,275/m². We also identified a property at 11 North Street with a floor area of 39.3m² on the market at £140,000 which equates to £3,562/m². An average value between the two would be slightly higher than the DSP value at £3,419/m².
- 4.5 Sold values from Land Registry records also provide a useful evidence base and we identified the following sales:

Flat 29 Bellair House 40m² sold November 2019 £105,000 (£2,625/m²)

Flat 3, 74 West Street 52m² sold October 2019 £147,000 (£2,826/m²)

Flat 9, 26 Wellington Court 42m² sold March 2019 £116,000 (£2,750/m²)

- 4.6 The average second hand sold evidence value is around £2,750/m² and if we reflect a newbuild premium at around 10% the value would increase to £3,025/m². This is slightly less than the average of the properties on the market at £3,419/m² but these are likely to be subject to offers so we have adopted a mid point at £3,250/m². This results in one bedroom sales values from £123,500-198,250.

- 4.7 For the two bedroom apartments we identified a comparable recently constructed apartment on School Lane with a floor area of 70.1m² on the market at £210,000 which equates to £2,995/m². Higher value properties all had much larger floor areas and were not considered comparable. We also identified the following sold properties:

Flat 5 Crane Court 69.8m² sold November 2019 £185,000 (£2,650/m²)

Flat 7 Crane Court 59.4m² sold November 2019 £167,500 (£2,819/m²)

Flat 11, 25 School Lane 60m² sold November 2019 £200,000 (£3,333/m²)

- 4.8 Taking into account the evidence for consistency we have adopted the same value per square metre for the two bedroom apartments at £3,250/m² resulting in sales values from £198,250- 201,500.

- 4.9 The overall GDV is £4,634,500 which equates to £3,250/m² this represents an increase of 3.4% of the values agreed in June 2019.

- 4.10 The actual price achieved will be dependent on market conditions at the time of marketing, competitor developments and the completed specification and finishes.

Commercial Property Values

- 4.11 In the DSP viability review for the previous application an average rent level at £10/ft² for the new retail units was agreed capitalised on a 7.5% yield, so we have utilised the same assumption for the revised appraisal.

Construction Costs

- 4.12 In line with normal viability practice we have used the BCIS median rates to establish the construction cost which is a methodology agreed by DSP in their viability review. It should also be noted the borough wide Local Plan and CIL Viability Assessment also adopts construction costs based on the BCIS median rates so the methodology is consistent with the assumptions which underpin the local plan policy requirement. We have used the current BCIS median rate for 3-5 storey apartments rebased to Havant which is £1,491/m².

- 4.13 The BCIS rates exclude any allowances for external works costs, in the viability review DSP agreed to a 7.5% allowance for external works costs so we have adopted the same assumption which results in an overall build cost rate at £1,603/m². For the retail units on the assumption they are completed to shell and core standard for fitting out by the incoming tenant we have adopted a lower cost level at £1200/m².
- 4.14 Use of BCIS rates for estimating construction costs is an established viability practice and provides a good evidential base as it is based on actual tender returns in a given location. However its is becoming increasingly apparent that BCIS rates are not keeping up with the most recent build cost tenders, demand is currently out stripping sub-contractor capacity resulting in increased rates and material prices are increasing with extended call off periods.
- 4.15 We have separately allowed for design fees at 7% and client contingency at 5% which are typical level we have recently agreed with the DVS and these assumptions were agreed by DSP in their viability review.

Developers Profit

- 4.16 The revised Planning Practice Guidance recommends a developers profit allowance in the range of 15-20% and the adopted level of profit should reflect the developers risk profile. We have adopted a profit allowance at 17.5% of GDV for the open market sales units which is a mid range assumption we have previously agreed with the DVS.
- 4.17 For the commercial units we have adopted a lower profit allowance at 15% of GDV. Both of these assumptions were agreed by DSP in their viability review but it should be noted the borough wide Local Plan and CIL assessment used a higher allowance at 20% of GDV for open market residential development.

Affordable Housing Inputs

- 4.18 To model the affordable housing value we have assumed the affordable rent units will have rents set at 80% of market rents subject to being no more than the relevant Local Housing Allowance rate. Local market rents would result in an affordable rent well in excess of the LHA, so we have adopted the LHA rate at £120.03pw for a one bedroom property.
- 4.19 The shared ownership has been based on initial sales at 50% of open market value and a rent on the unsold equity at the Homes England maximum level of 2.75%.

- 4.20 In line with HCA guidance in the AHP bidding round that grant would not be supported on s106 units, we have not included any grant funding in the appraisals except where stated.
- 4.21 The net affordable housing revenue has been capitalised at 4.75% which is a sector average.

5 Other Model Assumptions and Inputs

- 5.1 The basis for assumptions on sales values, construction costs and profit are set out in section 4.

Programme

- 5.2 The DAT assumes a 6 month lead in to site start for detail design, building regulations approval, lining up sub-contract packages and site set up. The contract period is 18 months with a sales period of 10 months.

S106 Contributions

- 5.3 We have allowed for a CIL payment on the net increase in floor area but we have not allowed for any additional s106 payments.

Interest Rates

- 5.4 We have used a finance rate of 6.5% inclusive of all arrangement fees and monitoring costs which is the level proposed by DSP in the scheme viability review. We also note the same assumption has been used in the borough wide Local Plan and CIL viability assessment.

Sales and marketing costs

- 5.5 We have made an allowance of 2.75% of gross sales value for sales and marketing. This is to allow for agent's fees at 1.5% together with additional costs for a show home, development branding, production of sales particulars and promotion.
- 5.6 DSP have proposed a much lower allowance at 2% of GDV but with a sales agent alone costing around 1.5% the overall allowance is in our opinion not sufficient to fund all the sales and marketing costs on this type of development. The borough wide Local Plan and CIL viability assessment which was also drafted in 2019 uses a higher allowance at 3% so there seems to be an inconsistency between the two documents.

6 Conclusion

- 6.1 The proposed development will provide 30no new dwellings and Local Plan policy CS9 will require 30-40% affordable housing so we have assumed 35% affordable housing will be required on this development. This equates to 10no dwellings which we have assumed will be required as 7no affordable rent and 3no shared ownership dwellings.
- 6.2 To establish if the requirement can be viably delivered we have appraised the development on an all open market basis to establish if a surplus is generated over the existing land value based on an existing use plus premium basis in line with the Planning Practice Guidance.
- 6.3 The appraisal has been constructed with assumptions generally in line with the DSP scheme viability review undertaken in June 2019 but we have updated the sales values and used the current BCIS build cost rate.
- 6.4 The appraisal shows a deficit of -£541,957 and clearly no surplus is generated to support any affordable housing provision. It is therefore clearly evident the development is unable to viably support any affordable housing provision.

Shared Ownership		£0			
Affordable Rent		£0			
Open market (all phases)		£120,000			
Capitalised Annual Ground Rents				£120,000	
TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME				£4,754,500	
TOTAL BUILD COST OF RESIDENTIAL SCHEME		£2,927,039			
TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME					£1,827,461
Non-Residential					
		Cost		Values	
Office		£0		£0	
Retail		£470,367		£464,150	
Industrial		£0		£0	
Leisure		£0		£0	
Community Use		£0		£0	
Community Infrastructure Levy		£0			
CAPITAL VALUE OF NON-RESIDENTIAL SCHEME				£464,150	
COSTS OF NON-RESIDENTIAL SCHEME		£470,367			
CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL					-£6,218
GROSS DEVELOPMENT VALUE OF SCHEME				£5,218,650	
TOTAL BUILD COSTS		£3,397,406			
TOTAL CONTRIBUTION TO SCHEME COSTS					£1,821,243
External Works & Infrastructure Costs (£)			Per unit	% of GDV	per Hectare
Demolition		£0			
		£0			
		£0			
Strategic Landscaping		£0			
Off Site Works		£0			
Public Open Space		£0			
Site Specific Sustainability Initiatives		£0			
Plot specific external works		£0			
Other 1		£0			
Other 2		£0			
		£0			
Other site costs					
Fees and certification	7.0%	£195,136	6,505	3.7%	
Other Acquisition Costs (£)		£0			
Site Abnormals (£)					
External works		£0			
Decontamination		£0			
Other		£0			
Other 2		£0			
Other 3		£0			
Other 4		£0			
Other 5		£0			
		£0			
Total Site Costs inc Fees		£195,136	6,505		
Statutory 106 Costs (£)					
Education		£0			
Sport & Recreation		£0			
Social Infrastructure		£0			
Public Realm		£0			
Affordable Housing		£0			
Transport		£0			
Highway		£0			
Health		£0			
Public Art		£0			
Flood work		£0			
Community Infrastructure Levy		£0			
Other Tariff		£0			
CIL		£158,906	5,297		
Other 2		£0			
Other 3		£0			
Other 4		£0			
Statutory 106 costs		£158,906	5,297		
Marketing (Open Market Housing ONLY)			per OM unit		
Sales/letting Fees	2.8%	£127,449	4,248		
Legal Fees (per Open Market unit):	£750	£22,500	750		
Marketing (Affordable Housing)			per affordable unit		
Developer cost of sale to RP (£)		£0			
RP purchase costs (£)		£0			
Intermediate Housing Sales and Marketing (£)		£0			
Total Marketing Costs		£149,949			
Total Direct Costs		£3,901,397			
Finance and acquisition costs					
Land Payment		£660,000	22,000 per OM home	#DIV/0!	#DIV/0!
Arrangement Fee		£0	0.0% of interest		
Misc Fees (Surveyors etc)		£0	0.00% of scheme value		
Agents Fees		£6,600			
Legal Fees		£3,300			
Stamp Duty		£22,500			
Total Interest Paid		£378,557			
Total Finance and Acquisition Costs		£1,070,957			
Developer's return for risk and profit					
Residential					

Market Housing Return (inc OH) on Value	17.5%	£811,038	27,035 per OM unit
Affordable Housing Return on Cost	0.0%	£0	per affordable unit
Return on sale of Private Rent	0.0%	£0	#DIV/0! per PR unit
Non-residential			
Office		£0	
Retail		£69,622	
Industrial		£0	
Leisure		£0	
Community-use		£0	
		£69,622	

Total Operating Profit **£880,660**

(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST **£5,853,014**

Surplus/(Deficit) at completion 1/9/2022 **(£634,365)**

Present Value of Surplus (Deficit) at 18/2/2020 **(£541,957)**

Scheme Investment MIRR **8.2%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 12.6% Peak Cash Requirement -£4,516,547

Site Value (PV) per hectare No area input per hectare No area input per acre

Shared Ownership		£0			
Affordable Rent		£0			
Open market (all phases)		£80,000			
Capitalised Annual Ground Rents				£80,000	
TOTAL CAPITAL VALUE OF RESIDENTIAL SCHEME				£4,367,678	
TOTAL BUILD COST OF RESIDENTIAL SCHEME		£2,927,039			
TOTAL CONTRIBUTION OF RESIDENTIAL SCHEME					£1,440,640
Non-Residential					
		Cost		Values	
Office		£0		£0	
Retail		£470,367		£464,150	
Industrial		£0		£0	
Leisure		£0		£0	
Community Use		£0		£0	
Community Infrastructure Levy		£0			
CAPITAL VALUE OF NON-RESIDENTIAL SCHEME				£464,150	
COSTS OF NON-RESIDENTIAL SCHEME		£470,367			
CONTRIBUTION TO SCHEME COSTS FROM NON-RESIDENTIAL					-£6,218
GROSS DEVELOPMENT VALUE OF SCHEME				£4,831,828	
TOTAL BUILD COSTS		£3,397,406			
TOTAL CONTRIBUTION TO SCHEME COSTS					£1,434,422
External Works & Infrastructure Costs (£)			Per unit	% of GDV	per Hectare
Demolition		£0			
		£0			
		£0			
Strategic Landscaping		£0			
Off Site Works		£0			
Public Open Space		£0			
Site Specific Sustainability Initiatives		£0			
Plot specific external works		£0			
Other 1		£0			
Other 2		£0			
		£0			
Other site costs					
Fees and certification	7.0%	£195,136	6,505	4.0%	
Other Acquisition Costs (£)		£0			
Site Abnormals (£)					
External works		£0			
Decontamination		£0			
Other		£0			
Other 2		£0			
Other 3		£0			
Other 4		£0			
Other 5		£0			
		£0			
Total Site Costs inc Fees		£195,136	6,505		
Statutory 106 Costs (£)					
Education		£0			
Sport & Recreation		£0			
Social Infrastructure		£0			
Public Realm		£0			
Affordable Housing		£0			
Transport		£0			
Highway		£0			
Health		£0			
Public Art		£0			
Flood work		£0			
Community Infrastructure Levy		£0			
Other Tariff		£0			
CIL		£103,288	3,443		
Other 2		£0			
Other 3		£0			
Other 4		£0			
Statutory 106 costs		£103,288	3,443		
Marketing (Open Market Housing ONLY)			per OM unit		
Sales/letting Fees	2.8%	£87,051	4,353		
Legal Fees (per Open Market unit):	£750	£15,000	750		
Marketing (Affordable Housing)			per affordable unit		
Developer cost of sale to RP (£)		£20,000	2,000		
RP purchase costs (£)		£60,000	6,000		
Intermediate Housing Sales and Marketing (£)		£0			
Total Marketing Costs		£182,051			
Total Direct Costs		£3,877,881			
Finance and acquisition costs					
Land Payment		£660,000	33,000 per OM home	#DIV/0!	#DIV/0!
Arrangement Fee		£0	0.0% of interest		
Misc Fees (Surveyors etc)		£0	0.00% of scheme value		
Agents Fees		£6,600			
Legal Fees		£3,300			
Stamp Duty		£22,500			
Total Interest Paid		£307,410			
Total Finance and Acquisition Costs		£999,810			
Developer's return for risk and profit					
Residential					

Market Housing Return (inc OH) on Value	17.5%	£553,963	27,698 per OM unit
Affordable Housing Return on Cost	6.0%	£53,016	5,302 per affordable unit
Return on sale of Private Rent	0.0%	£0	#DIV/0! per PR unit
Non-residential			
Office		£0	
Retail		£69,622	
Industrial		£0	
Leisure		£0	
Community-use		£0	
		£69,622	

Total Operating Profit **£676,601**

(i.e. profit after deducting sales and site specific finance costs but before deducting developer overheads and taxation)

TOTAL COST **£5,554,293**

Surplus/(Deficit) at completion 1/9/2022 **(£722,465)**

Present Value of Surplus (Deficit) at 18/2/2020 **(£617,224)**

Scheme Investment MIRR **5.2%** (before Developer's returns and interest to avoid double counting returns)

Site Value as a Percentage of Total Scheme Value 13.7% Peak Cash Requirement -£3,425,017

Site Value (PV) per hectare No area input per hectare No area input per acre

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.

Last updated: 15-Feb-2020 00:46

▸ Rebased to Havant (105; sample 22)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
816. Flats (apartments)							
Generally (15)	1,581	801	1,322	1,512	1,774	5,360	928
1-2 storey (15)	1,509	946	1,285	1,447	1,667	2,794	220
3-5 storey (15)	1,555	801	1,315	1,491	1,762	3,363	613
6 storey or above (15)	1,927	1,174	1,584	1,793	2,074	5,360	92



Purplebricks, covering Meridian
Suite 7, First Floor, Cranmore Place, Cranmore Drive,
Shirley, Solihull, B90 4RZ

0121 396 0900 local call rate



www.rightmove.co.uk/property/72734329

1 bedroom apartment for sale

11 North Street, Havant, PO9

£140,000



Property Description

Key features

- One Bedroom First Floor Apartment In Havant Centre

■ Close To Mainline Train Station & Bus Depot
- Easy Fast Motorway Access

■ One Bathroom

■ One Reception

■ Double Glazed

■ Central Heating

Full description

Tenure: Leasehold, 125 years remaining

The Property

Purplebricks are pleased to bring to market this ONE bedroom apartment in a quaint private development situated just off North Street in Havant.

Comprising of a spacious living/dining room with kitchen off, bathroom and bedroom this apartment will appeal to first time buyers and commuter's alike.

With the main line train station at the top of the road, the bus station around the corner and motorway access within easy reach this apartment will prove very popular.

Whilst arguably this home could benefit from a new bathroom it is in immaculate condition throughout.

Don't delay, this will be of interest to many people!!

BOOK YOUR VIEWING NOW

Simply call our Central Team on or directly through Rightmove.

Lease Information

The term of the lease is 125 years from and including 1st January 2013.

The current maintenance charge is £511.31 per six months.

The current ground rent is £150.00 per annum.

Communal Courtyard

Entry can be gained through the door entry system beside the gate on North Street Opposite "Waitrose".

Access to the courtyard and main entrance.

Brick paved private courtyard with plants and shrubs.

Communal Entrance

Door to main entrance, stairs to upper floors.

Entrance Hall

Large space for storage, coats and shoes. Doors to primary rooms

Bedroom

Front aspect window overlooking private courtyard, Selection of fitted wardrobes and draws, radiator.

Living / Dining Room

Rear aspect doors with Juliet balcony, radiator, space for table and chairs opening to

Kitchen

Kitchen area with rear aspect window, space for washing machine, fridge/freezer, integrated cooker and hob, radiator, selection of fitted wall and base units.

Bathroom

Rear aspect obscured window, white bath suite with shower over, low level W.C and pedestal wash hand basin, radiator.

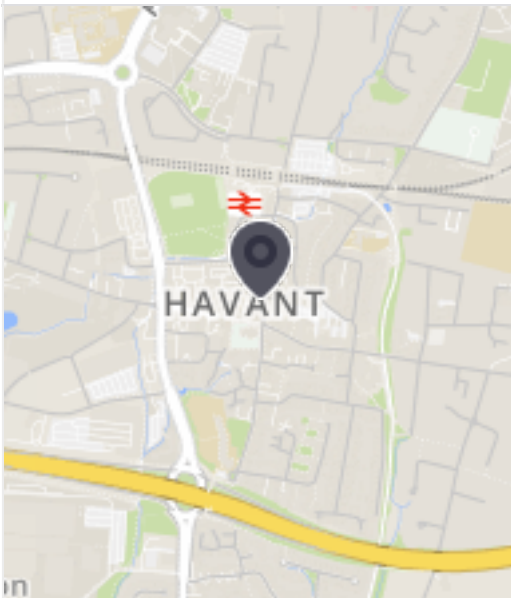
More information from this agent

To view this media, please visit the on-line version of this page at www.rightmove.co.uk/property-for-sale/property-72734329.html

Energy Performance Certificates (EPCs)

Listing History

Added on Rightmove:
05 July 2019



Nearest stations

Havant (0.2 mi)

Warblington (0.7 mi)

Bedhampton (0.7 mi)

Distances are straight line
measurements from centre of postcode

Nearest schools

Use the school checker >

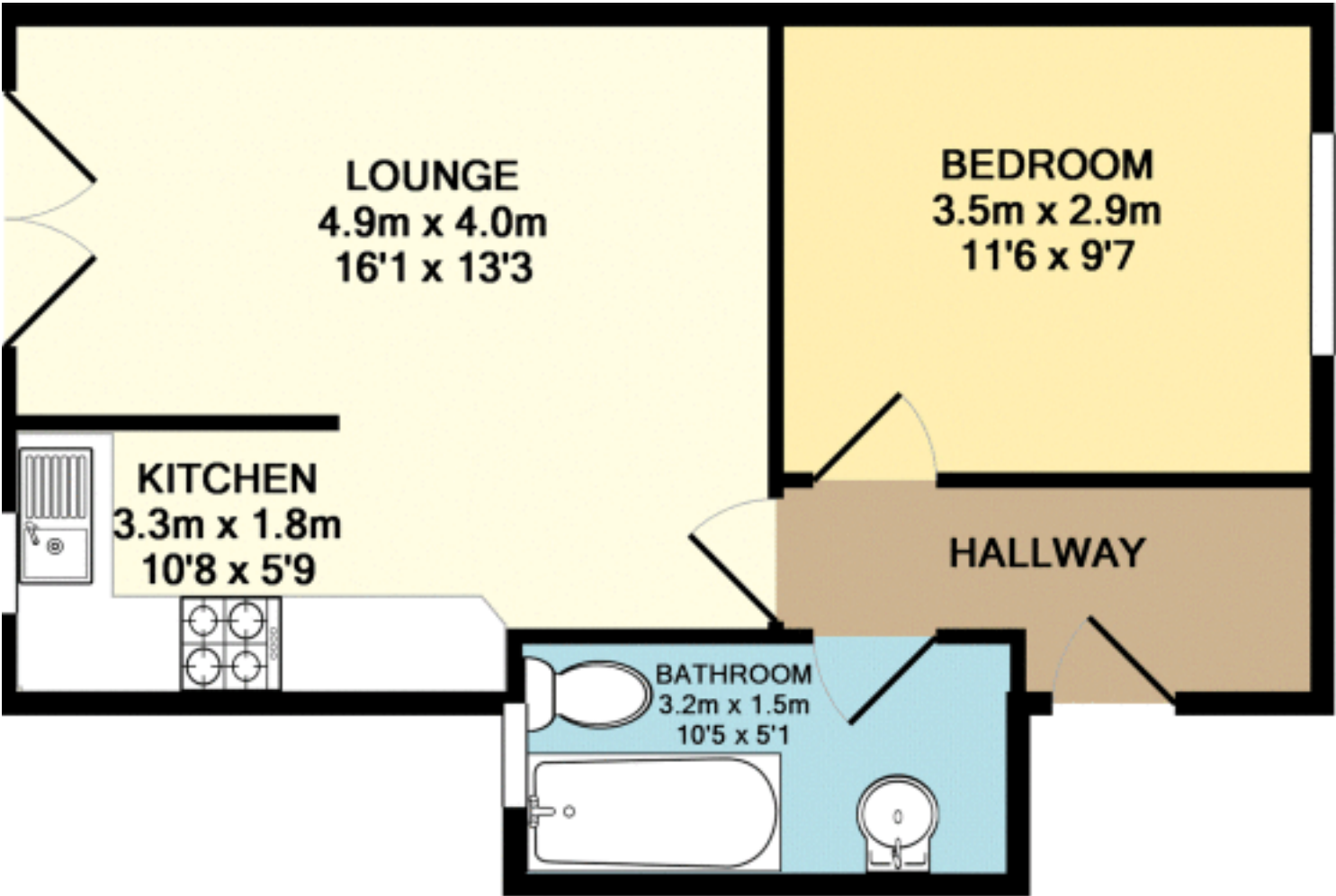
To view this property or request more details, contact:



Purplebricks, covering Meridian
Suite 7, First Floor, Cranmore Place, Cranmore Drive, Shirley, Solihull, B90 4RZ
0121 396 0900 Local call rate

Floorplans

Master Floorplan Image



NOT TO SCALE. FOR ILLUSTRATION PURPOSES ONLY
TOTAL APPROX. FLOOR AREA 39.3 SQ.M. (423 SQ.FT.)

Whilst every attempt has been made to ensure the accuracy of the floor plan contained here, measurements of doors, windows, rooms and any other items are approximate and no responsibility is taken for any error, omission, or mis-statement. This plan is for illustrative purposes only and should be used as such by any prospective purchaser. The services, systems and appliances shown have not been tested and no guarantee

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Suite 7, First Floor, Cranmore Place, Cranmore Drive, Shirley, Solihull, B90 4RZ
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Map & Street View

map view

street view

School Checker >

Note: The pin shows the centre of the property's postcode, and does not pinpoint the exact address The pin shows the exact address of the property Street View is unavailable in this location You're in the centre of the property's postcode. Start exploring the local area from here. Take me back to the start

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* Average speeds are based on the download speeds of at least 50% of customers at peak time (8pm to 10pm) from packages available on comparethemarket.com. Speed can be affected by a range of technical and environmental factors. The speed you receive where you live may be lower than that listed above. You can check the estimated speed to your property prior to purchasing. Fibre/cable services at your postcode are subject to availability. You can confirm availability on the provider's website. Providers may increase charges. You should have the right to exit your contract without penalty if this happens. The information is provided and maintained by **Decision Technologies Limited**.

Map data ©OpenStreetMap contributors.



Pearsons, Havant
7 North Street, Havant, PO9 1PW

02392 486244 local call rate



www.rightmove.co.uk/property/64812267

1 bedroom flat for sale

Bulbeck Road, Havant

Sold STC
£150,000



Property Description

Key features

- 35% SHARE OF THIS PROPERTY
- SECOND FLOOR ONE BEDROOM FLAT
- WALKING DISTANCE TO ALL AMENITIES
- GREAT TRANSPORT LINKS
- READY TO MOVE IN TO
- PERFECT FOR A FIRST TIME BUYER LOOKING TO GET ON THE LADDER

Full description

Tenure: Leasehold

Fantastic opportunity to purchase 35% share of this property with a full market value of £150,000. This second floor purpose built one bedroom self-contained flat sits in the heart of Havant, presented in very good order, the apartment is ready to move in to. In brief the property consists of; entrance hall, open plan lounge kitchen, bedroom and a family bathroom. Viewings are highly recommended.

ENTRANCE HALL

Accessed via security entrance system, radiator, full height cupboard with shelving.

LOUNGE

Smooth ceiling, dual aspect, UPVC double glazed door and window to rear aspect, Juliet balcony to rear aspect with double glazed window to side aspect, radiator, opening into the kitchen.

KITCHEN

UPVC double glazed window to side, wall mounted combination boiler, modern units including; wall, base and drawer. Built-in oven, electric hob with extractor over, stainless steel sink / drainer set in roll edge work top, space and plumbing for a washing machine.

BEDROOM

UPVC double glazed window to side aspect with radiator.

BATHROOM

Suite comprises; panel bath, low level WC, pedestal wash basin, radiator, wall mounted shower attachments.

LEASEHOLD

(Date Of Original Lease - 2011)

(Managing Agent - Radian)

117 Yrs Left

Council Tax Band B

£1,330.40 2019 / 202

Energy Performance Certificates (EPCs)

To view this media, please visit the on-line version of this page at www.rightmove.co.uk/property-for-sale/property-64812267.html

Listing History

Added on Rightmove:
03 September 2019



Nearest stations

- Havant (0.2 mi)
- Bedhampton (0.6 mi)
- Warblington (0.8 mi)

Distances are straight line
measurements from centre of postcode

Nearest schools

Use the school checker >

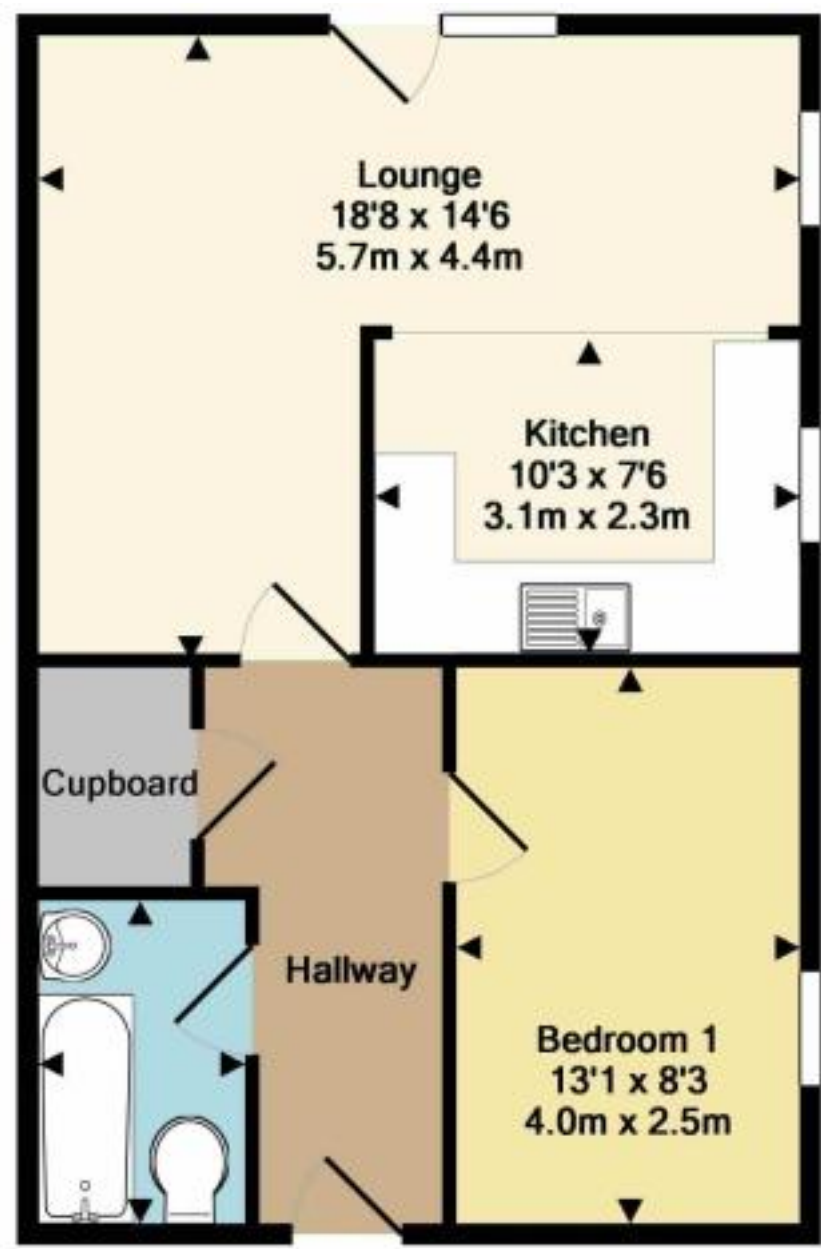
To view this property or request more details, contact:



Pearsons, Havant
7 North Street, Havant, PO9 1PW
02392 486244 Local call rate

Floorplans

Master Floorplan Image



Total Approx. Floor Area 492 Sq.Ft. (45.8 Sq.M.)

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School Checker >

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Land Registry sold prices

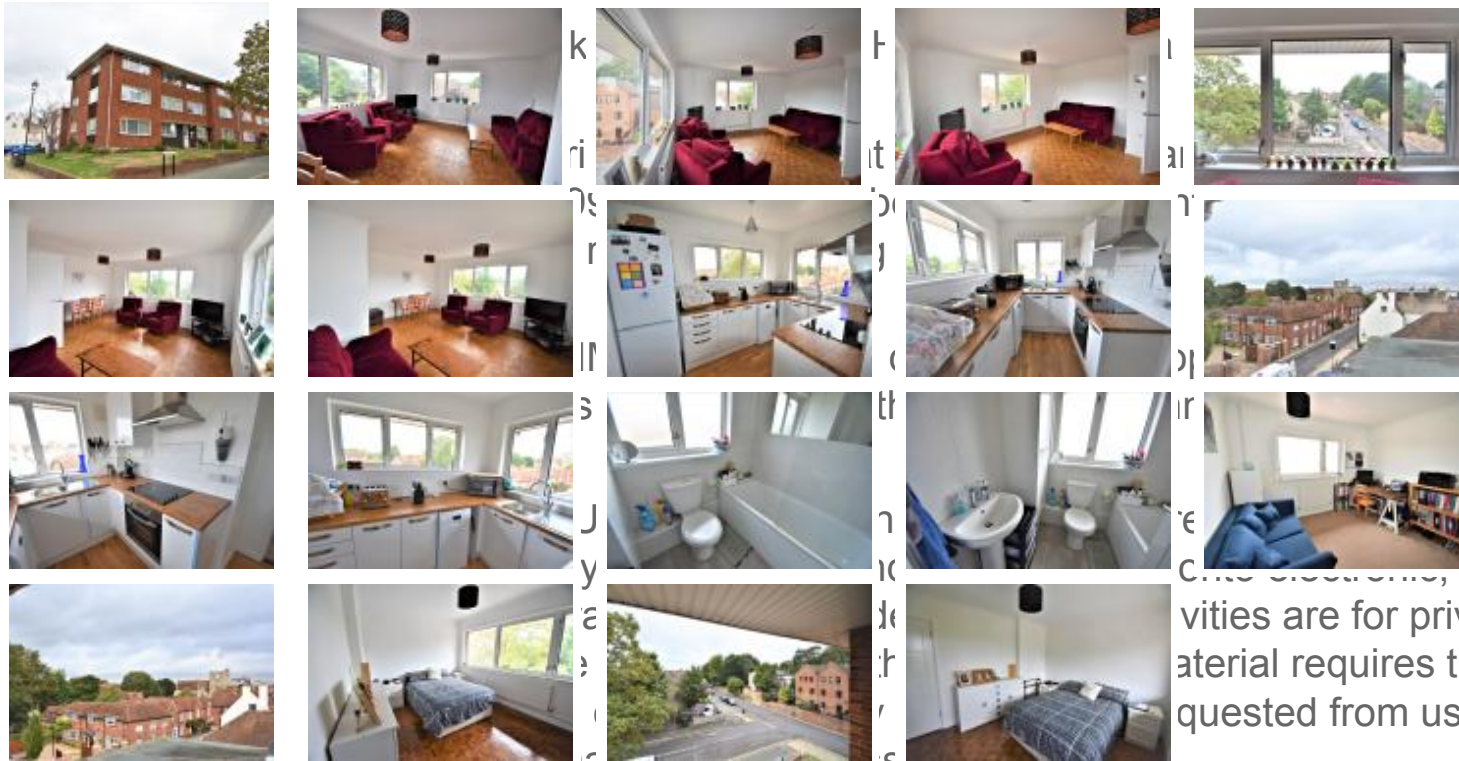
Flat 5, Grove Court, Grove Road, Havant, Hampshire PO9 1AP

Sale Date	Property	Price Paid	Source
25 Nov 2019	Flat, Leasehold	£185,000	Land Registry
27 Feb 2019	Flat, Leasehold	£184,000	Land Registry
07 Sep 2015	Flat, Leasehold	£167,500	Land Registry
14 May 2015	Flat, Leasehold	£130,500	Land Registry

Previously listed on Rightmove on January 2020

2 bedroom apartment





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- ☒  Your Move , Waterlooville
- ☒  Gascoigne-Pees, Emsworth
- Harris Parkes & Drake, Rowlands Castle

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Land Registry sold prices

Flat 7, Grove Court, Grove Road, Havant, Hampshire PO9 1AP

Sale Date	Property	Price Paid	Source
15 Nov 2019	Flat, Leasehold	£167,500	Land Registry
18 May 2012	Flat, Leasehold	£149,950	Land Registry

Previously listed on Rightmove on December 2019

2 bedroom flat



Land Registry
is the period from 01 January 1995 to 26 December 2019. and contains property transactions which have been registered during that period.



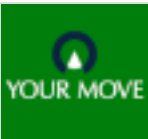
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