

From: [Archie Mackay-James](#)
To: [Caroline Ford](#); [Alex Chrusciak](#); [Nigel Simkin](#)
Cc: [Paul Martin](#); [Eleanor Musgrove](#); [Rob Bolton](#); [Hannah Leary](#); [Nick Fell](#); [Jamie Miller](#)
Subject: Land at North West Bicester - DRAFT WITHOUT PREJUDICE AFFORDABLE HOUSING OFFER
Date: 04 October 2022 19:58:20
Attachments: [599847ba-9c2f-4b89-8188-c67e3e3a8e8d.png](#)
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[f5e6f974-3e5a-4bd0-8863-7f590aa952b9.png](#)
[Bicester - Mid Point Cost calculations.xlsx](#)
[Bicester mid Point GDV calculations.xlsx](#)
[Bicester Viability assumptions.docx](#)
[Bicester. 100% Private. TZC. 530 units. O1 2022 - Agreed Inputs. Mid Point GDV & Costs.pdf](#)
[Bicester. 10% AH. TZC. 530 units. O1 2022 - Agreed Inputs. Mid Point GDV & Costs. VE.pdf](#)

Without Prejudice

Dear Caroline,

I have been instructed to prepare a draft, without prejudice offer in order to reach an agreed position on viability.

In arriving at this offer, we have adopted the “mid-point” position on build costs for both the scheme delivered as True Zero Carbon (TZC) assuming the sustainability specifications set out in the submission position and the alternative scheme delivered as Value Engineered (VE) TZC, which strips out Fruit Trees in the Gardens, Passive Venting, Lifts to apartments and Rain/greywater harvesting. The excel attached provides a breakdown of the calculations that have informed this and the table below summarises the mid-point position that we have adopted for the TZC position, which is exclusive of contingency.

Cost Item	G & T Position	RLF Position	Mid-Point position
House Building*	£83,365,455	£81,307,600	£82,336,563
Infrastructure / Abnormals	£19,939,356	£15,964,471	£17,951,922
Total	£103,304,811	£97,272,071	£100,288,485

* we have assumed triple glazing costs of £1.6 million for RLF’s cost position.

The table below summarises the mid-point position that we have adopted for the VE TZC position, which is also exclusive of contingency.

Cost Item	G & T Costs	RLF Costs	Mid Point Cost position
House Building*	£77,833,660	£74,587,018	£76,210,372
Infrastructure / Abnormals	£19,939,356	£15,964,471	£17,951,922
Total	£97,773,017	£90,551,489	£94,162,294

* we have assumed triple glazing costs of £1.6 million for RLF’s cost position.

We have also adopted the mid position on Gross Development Value (GDV), with the exception of the 2 bedroom semi detached houses measuring 590 sq ft where we have adopted the mid point position based on your original position. The excel attached provides a breakdown of the calculations that have informed this and in summary the scheme generates a GDV of £188.8 million assuming 100% private housing which equates to £410 per sq ft.

We have adopted a benchmark land value of £10.2 million, assuming £172,000 per acre in line with the local plan viability evidence base. All of the assumptions that have formed the basis of the draft offer are detailed in the word document attached.

On this basis, we conclude that the scheme is unable to deliver a component of affordable housing when delivered as TZC and £18.75 million of S106 contributions. This is because we calculate that the scheme generates a residual land value of £7.8 million, which is below the benchmark land value of £10.2 million. Hence the scheme is financially deliverable but is unable to deliver a component of affordable housing when delivering TZC and S106 contributions at this level.

However, based on the VE TZC mid-point position, we conclude that the scheme is able to viably deliver 10% affordable housing and £18.75 million of S106 costs. This is because we calculate that the scheme delivering 10% affordable housing generates a residual land value of £9.77 million (Appraisal attached), which is marginally below the benchmark land value of £10.14 million. Therefore we are able to make a draft, without prejudice offer of 10% affordable housing comprising of 55 affordable units including 16 no.

shared ownership houses, 23 no. affordable rent houses and 16 no. affordable rent flats.

It should be noted that this draft, without prejudice offer is made on the basis of the Q1 2022 costs and values. We envisage that build cost inflation over the course of this year will have a negative impact on the overall viability position. Notwithstanding this, the applicant is prepared to maintain a 10% affordable housing offer as outlined above regardless of the position when applying indexation to build costs and sales values to the present day.

This draft without prejudice offer is made on the basis that the sustainability assumptions underpinning the TZC and VE TZC positions are agreed. In the event that feedback is received from Bioregional meaning that the sustainability assumptions underpinning the TZC and VE TZC positions need to be amended, we reserve the right to amend our conclusions and draft offer.

This draft without prejudice offer is made on the basis of trying to reach an agreed position on viability. We reserve the right to revert to our original position on benchmark land value and would adopt present day build costs and GDV assumptions in the event that the application is not approved at planning committee.

Once you have had the opportunity to review, we would be happy to discuss further and look forward to hearing from you.

Kind Regards

Archie

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G & T Cost Update - Rev 2 Dated 20/5/22

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£893,000
Onsite Roads	£6,635,000
Offsite Infrastructure	£195,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,067,000
Utilities - Onsite Distribution	£3,937,000
Surface Water Drainage	£1,793,000
Foul Water Drainage	£1,577,000
Public Realm	£2,570,000
Housing	£77,038,205
Parking	£1,839,750
Total	£98,245,955
Gross Internal Area	474,483

Summary cost position (uninflated)

House Building Total	£78,877,955
House Building Rate Per Sq ft	£166.24
Infrastructure / Abnormals	£19,368,000
Total	£98,245,955

Inflation Calculation

Total build from cost plan	£102,159,939
Inflation from cost plan	£3,013,719
Inflation rate from cost plan	2.95%

Summary cost position (inflated)

House Building Total	£81,204,855
House Building Rate Per Sq ft	£171.14
Infrastructure / Abnormals	£19,939,356
Total	£101,144,211

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon + Triple Glazing	£83,365,455
House Building Rate Per Sq ft	£175.70
Infrastructure / Abnormals	£19,939,356
Total	£103,304,987

Summary position

	G & T Costs	RLF Costs
House Building	£83,365,455	£81,307,600
Infrastructure / Abnormals	£19,939,356	£15,964,471
Total	£103,304,811	£97,272,071
	£217.72	£205.01

RLF Cost Plan No. 2

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£892,000
Onsite Roads	£5,913,000
Offsite Infrastructure	£101,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,190,000
Utilities - Onsite Distribution	£2,599,000
Surface Water Drainage	£935,000
Foul Water Drainage	£783,000
Public Realm	£2,393,000
Housing	£75,148,000
Parking	£1,731,000
Total	£92,386,000

Summary cost position (uninflated)

House Building	£76,879,000
House Building Rate Per Sq ft	£162.03
Infrastructure / Abnormals	£15,507,000
Total	£92,386,000

Inflation Calculation

Total build from cost plan	£101,624,000
Inflation from cost plan	£2,998,000.00
Inflation rate from cost plan	2.95%

Summary cost position (inflated)

House Building Total	£79,147,000
House Building Rate Per Sq ft	£166.81
Infrastructure / Abnormals	£15,964,471
Total	£95,111,471

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon	£81,307,600
House Building Rate Per Sq ft	£171.36
Infrastructure / Abnormals	£15,964,471
Total	£97,272,242

Mid Point Cost position

£82,336,563
£17,951,922
£100,288,485
£211.36

Mid Point Costs

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£892,500
Onsite Roads	£6,274,000
Offsite Infrastructure	£148,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,128,500
Utilities - Onsite Distribution	£3,268,000
Surface Water Drainage	£1,364,000
Foul Water Drainage	£1,180,000
Public Realm	£2,481,500
Housing	£76,093,103
Parking	£1,785,375
Total	£95,315,978

Summary cost position (uninflated)

House Building	£77,878,478
House Building Rate Per Sq ft	£164.13
Infrastructure / Abnormals	£17,437,500
Total	£95,315,978

Inflation Calculation

Inflation rate from cost plan	2.95%
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Summary cost position (inflated)

House Building Total	£80,175,963
House Building Rate Per Sq ft	£168.98
Infrastructure / Abnormals	£17,951,922
Total	£98,127,885

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon	£82,336,563
House Building Rate Per Sq ft	£173.53
Infrastructure / Abnormals	£17,951,922
Total	£100,288,659

G & T Cost Update - Rev 2 Dated 14/09/22

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£893,000
Onsite Roads	£6,635,000
Offsite Infrastructure	£195,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,067,000
Utilities - Onsite Distribution	£3,937,000
Surface Water Drainage	£1,793,000
Foul Water Drainage	£1,577,000
Public Realm	£2,570,000
Housing	£71,664,922
Parking	£1,839,750
Total	£92,872,672
Gross Internal Area	474,483

Summary cost position (uninflated)

House Building Total	£73,504,672
House Building Rate Per Sq ft	£154.92
Infrastructure / Abnormals	£19,368,000
Total	£92,872,672

Inflation Calculation

Total build from cost plan	£102,159,939
Inflation from cost plan	£3,013,719
Inflation rate from cost plan	2.95%

Summary cost position (inflated)

House Building Total	£75,673,060
House Building Rate Per Sq ft	£159.49
Infrastructure / Abnormals	£19,939,356
Total	£95,612,417

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon + Triple Glazing	£77,833,660
House Building Rate Per Sq ft	£164.04
Infrastructure / Abnormals	£19,939,356
Total	£97,773,181

Summary position

	G & T Costs	RLF Costs
House Building	£77,833,660	£74,587,018
Infrastructure / Abnormals	£19,939,356	£15,964,471
Total	£97,773,017	£90,551,489

RLF Cost Plan No. 2

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£892,000
Onsite Roads	£5,913,000
Offsite Infrastructure	£101,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,190,000
Utilities - Onsite Distribution	£2,599,000
Surface Water Drainage	£935,000
Foul Water Drainage	£783,000
Public Realm	£2,393,000
Housing	£68,620,000
Parking	£1,731,000
Total	£85,858,000

Summary cost position (uninflated)

House Building	£70,351,000
House Building Rate Per Sq ft	£148.27
Infrastructure / Abnormals	£15,507,000
Total	£85,858,000

Inflation Calculation

Total build from cost plan	£101,624,000
Inflation from cost plan	£2,998,000.00
Inflation rate from cost plan	2.95%

Summary cost position (inflated)

House Building Total	£72,426,418
House Building Rate Per Sq ft	£152.64
Infrastructure / Abnormals	£15,964,471
Total	£88,390,889

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon	£74,587,018
House Building Rate Per Sq ft	£157.20
Infrastructure / Abnormals	£15,964,471
Total	£90,551,646

Mid Point Cost position

£76,210,372

£17,951,922

£94,162,294

Mid Point Costs

Detailed Cost position (uninflated)

Element	Assumption
Environmental & Ecological Works	£701,000
Demolition, Site Clearance & Land Formation	£892,500
Onsite Roads	£6,274,000
Offsite Infrastructure	£148,000
Utilities - Diversions	-
Utilities- Reinforcements	£1,128,500
Utilities - Onsite Distribution	£3,268,000
Surface Water Drainage	£1,364,000
Foul Water Drainage	£1,180,000
Public Realm	£2,481,500
Housing	£70,142,461
Parking	£1,785,375
Total	£89,365,336

Summary cost position (uninflated)

House Building	£71,927,836
House Building Rate Per Sq ft	£151.59
Infrastructure / Abnormals	£17,437,500
Total	£89,365,336

Inflation Calculation

Inflation rate from cost plan	2.95%
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Summary cost position (inflated)

House Building Total	£74,049,772
House Building Rate Per Sq ft	£156.06
Infrastructure / Abnormals	£17,951,922
Total	£92,001,694

Extra Carbon offset contribution

Extra carbon offset contribution to be absorbed in housing base build costs	£543,600
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Triple Glazing addition

Triple Point Glazing	£1,617,000
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Total Cost position

House Building + Extra Carbon	£76,210,372
House Building Rate Per Sq ft	£160.62
Infrastructure / Abnormals	£17,951,922
Total	£94,162,455

Pricing Analysis by Unit Type (Summary) - NW Bicester - August 2022 (as at Q1 2022 base-date)

													HLD % Adjustment								
													101.78%								
Dwelling Type	House/Flat	Storey	Bedrooms	Number	Area (Sqft)	Total Area	Green and Co unit pricing July 2021	Green and Co GDV July 2021	Green and Co £ per Sqft (£) - July 21	HLD Values adjusted to reflect Q1 2022 Prices	HLD GDV Q1 2021	HLD adjusted Q1 2022 (£ per sq ft)	Green & Co. Q1 2022	Green & Co Q1 2022 GDV	Green & Co Q1 2022 £psf	HLD Revised Pricing for Q1 2022	HLD Revised GDV for Q1 2022	HLD Revised £ per sq ft Q1 2022	Compromised offer position	Compromised GDV	Compromised rate psf
Flat	Flat	3	2	24	753	18,072	£ 300,000	£ 7,200,000	£ 398.41	£ 305,340.00	£ 7,328,160	£ 405.50	£ 305,000.00	£ 7,320,000	£ 405.05	£305,000.00	£7,320,000.00	£405.05	£305,000	£7,320,000	£405.05
Flat over Garage (FOG)	Flat	3	2	11	753	8,283	£ 315,000	£ 3,465,000	£ 418.33	£ 320,607.00	£ 3,526,677	£ 425.77	£ 315,000.00	£ 3,465,000	£ 418.33	£315,000.00	£3,465,000.00	£418.33	£315,000	£3,465,000	£418.33
Semi-Detached	House	2	2	93	590	54,870	£ 280,000	£ 26,040,000	£ 474.58	£ 295,162.00	£ 27,450,066	£ 500.27	£ 280,000.00	£ 26,040,000	£ 474.58	£305,000.00	£28,365,000.00	£516.95	£287,581	£26,745,033	£487.43
Terraced	House	2	3	47	737	34,639	£ 330,000	£ 15,510,000	£ 447.76	£ 335,874.00	£ 15,786,078	£ 455.73	£ 330,000.00	£ 15,510,000	£ 447.76	£335,000.00	£15,745,000.00	£454.55	£332,500	£15,627,500	£451.15
Semi-Detached	House	2	3	10	958	9,580	£ 385,000	£ 3,850,000	£ 401.88	£ 402,031.00	£ 4,020,310	£ 419.66	£ 385,000.00	£ 3,850,000	£ 401.88	£400,000.00	£4,000,000.00	£417.54	£392,500	£3,925,000	£409.71
Wide-Front - Semi	House	2	3	36	947	34,092	£ 385,000	£ 13,860,000	£ 406.55	£ 402,031.00	£ 14,473,116	£ 424.53	£ 385,000.00	£ 13,860,000	£ 406.55	£400,000.00	£14,400,000.00	£422.39	£392,500	£14,130,000	£414.47
Terraced 2.5 Storey	House	2.5	3	44	1,068	46,992	£ 375,000	£ 16,500,000	£ 351.12	£ 381,675.00	£ 16,793,700	£ 357.37	£ 385,000.00	£ 16,940,000	£ 360.49	£400,000.00	£17,600,000.00	£374.53	£392,500	£17,270,000	£367.51
Terraced 3 Storey	House	3	3	12	1,210	14,520	£ 415,000	£ 4,980,000	£ 342.98	£ 422,387.00	£ 5,068,644	£ 349.08	£ 395,000.00	£ 4,740,000	£ 326.45	£420,000.00	£5,040,000.00	£347.11	£407,500	£4,890,000	£336.78
Semi-Detached	House	2	4	79	1,045	82,555	£ 430,000	£ 33,970,000	£ 411.48	£ 437,654.00	£ 34,574,666	£ 418.81	£ 410,000.00	£ 32,390,000	£ 392.34	£435,000.00	£34,365,000.00	£416.27	£422,500	£33,377,500	£404.31
Detached 2.5 Storey	House	2.5	4	11	1,235	13,585	£ 450,000	£ 4,950,000	£ 364.37	£ 493,633.00	£ 5,429,963	£ 399.70	£ 450,000.00	£ 4,950,000	£ 364.37	£490,000.00	£5,390,000.00	£396.76	£470,000	£5,170,000	£380.57
<i>Affordable</i>																					
Dwelling Type	House/Flat	Storey	Bedrooms	Number	Area (Sqft)	Total Area	Rapleys Value (£) - Oct 21	Green and Co GDV July 2021	Rapleys Value per Sqft (£) - Oct 21	HLD Values adjusted to reflect Q1 2022 Prices	HLD GDV Q1 2021	HLD adjusted Q1 2022 (£ per sq ft)	Green & Co. Q1 2022	Green & Co Q1 2022 GDV	Green & Co Q1 2022 £psf	HLD Revised Pricing for Q1 2022	HLD Revised GDV for Q1 2022	HLD Revised £ per sq ft Q1 2022	Compromised offer position	Compromised GDV	Compromised rate psf
Flat	Flat	3	1	26	538	13,988	£ 260,000	£ 6,760,000	£ 483.27	£ 264,628.00	£ 6,880,328	£ 491.87	£ 230,000.00	£ 5,980,000	£ 427.51	£230,000.00	£5,980,000.00	£427.51	£230,000	£5,980,000	£427.51
Flat over Garage (FOG)	Flat	3	1	5	538	2,690	£ 265,000	£ 1,325,000	£ 492.57	£ 269,717.00	£ 1,348,585	£ 501.33	£ 240,000.00	£ 1,200,000	£ 446.10	£240,000.00	£1,200,000.00	£446.10	£240,000	£1,200,000	£446.10
Flat	Flat	3	2	15	753	11,295	£ 295,000	£ 4,425,000	£ 391.77	£ 305,340.00	£ 4,580,100	£ 405.50	£ 305,000.00	£ 4,575,000	£ 405.05	£305,000.00	£4,575,000.00	£405.05	£305,000	£4,575,000	£405.05
Terraced	House	2	2	9	755	6,795	£ 320,000	£ 2,880,000	£ 423.84	£ 325,696.00	£ 2,931,264	£ 431.39	£ 320,000.00	£ 2,880,000	£ 423.84	£335,000.00	£3,015,000.00	£443.71	£327,500	£2,947,500	£433.77
Terraced	House	2	2	29	856	24,824	£ 330,000	£ 9,570,000	£ 385.51	£ 335,874.00	£ 9,740,346	£ 392.38	£ 337,500.00	£ 9,787,500	£ 394.28	£337,500.00	£9,787,500.00	£394.28	£337,500	£9,787,500	£394.28
Semi-Detached	House	2	2	18	856	15,408	£ 330,000	£ 5,940,000	£ 385.51	£ 346,052.00	£ 6,228,936	£ 404.27	£ 345,000.00	£ 6,210,000	£ 403.04	£345,000.00	£6,210,000.00	£403.04	£345,000	£6,210,000	£403.04
Terraced	House	2	3	25	1,000	25,000	£ 370,000	£ 9,250,000	£ 370.00	£ 386,764.00	£ 9,669,100	£ 386.76	£ 385,000.00	£ 9,625,000	£ 385.00	£390,000.00	£9,750,000.00	£390.00	£387,500	£9,687,500	£387.50
Semi-Detached	House	2	3	22	1,000	22,000	£ 370,000	£ 8,140,000	£ 370.00	£ 402,031.00	£ 8,844,682	£ 402.03	£ 395,000.00	£ 8,690,000	£ 395.00	£405,000.00	£8,910,000.00	£405.00	£400,000	£8,800,000	£400.00
Detached	House	2	4	12	1,546	18,552	£ 480,000	£ 5,760,000	£ 310.48	£ 544,523.00	£ 6,534,276	£ 352.21	£ 560,000.00	£ 6,720,000	£ 362.23	£560,000.00	£6,720,000.00	£362.23	£560,000	£6,720,000	£362.23
Bungalow	Bungalow	1	3	1	1,114	1,114	£ 465,000	£ 465,000	£ 417.41	£ 473,277.00	£ 473,277	£ 424.84	£ 475,000.00	£ 475,000	£ 426.39	£475,000.00	£475,000.00	£426.39	£475,000	£475,000	£426.39
Bungalow	Bungalow	1	3	1	1,368	1,368	£ 475,000	£ 475,000	£ 347.22	£ 483,455.00	£ 483,455	£ 353.40	£ 525,000.00	£ 525,000	£ 383.77	£525,000.00	£525,000.00	£383.77	£525,000	£525,000	£383.77
TOTAL				530		460222		£185,315,000	£403		£192,165,729	£418		£185,732,500	£404		£192,837,500	£419		£188,827,533	£410.30

Flats GDV	£22,540,000
Houses GDV	£166,287,533

Affordable

Tenure	Rapleys % of OM	HLD % of O	Agreed assumptions:
Social Rented	30%	35%	35%
Affordable Rented	50%	55%	55%
Intermediate	70%	65%	65%

Appraisal input	Applicant position	Council / HLD position	Offer Position
Private GDV and Sales Values	£185.7 million (£404 psf)	£192.8 million (£419 psf)	£188.8 million (£410 psf)
Social Rent values	35% of OMV	35% of OMV	Agreed
Affordable Rent values	50% of OMV	55% of OMV	Agreed
Shared Ownership Values	70% om OMV	65% of OMV	Agreed
HIF funding	£6.7 million subsequently amended to £390,610 which equals 5.83% (proportionate amount of land under ownerships) of £6.7 million.	£1	£1 pending confirmation from CDC
TZC build cost position	£103.3 million (including triple glazing)	£97.2 million (including triple glazing TBC)	£100.28 million
Value Engineered build cost position	£97.7 million (including triple glazing)	£90.5 million (including triple glazing TBC)	£94.1 million
Cashflow of construction costs	Pro-rata'd	Pro-rata'd	Agreed
Infrastructure Contingency	10%	10%	Agreed
Developer Contingency	5%	5%	Agreed
Professional fees	8%	8%	Agreed
Phasing	One month for purchase	One month for purchase	Agreed
	3 month pre construction period for procurement.	0 months allowance for detailing planning and procurement process	3 month pre construction period for procurment
	6 month period for enabling works	6 months for enabling works	Agreed
	6 month construction period / lag for before first sale	4 month construction period / lag before first sale	6 month construction period / lag for before first sale
	92 month construction period assuming construction rate of 4 private units per month	92 month construction period.	Agreed
	92 months sales period assuming sales rate of 4 private units per month.	92 month sales period.	Agreed

Infrastructure Phasing	Cashflowed in line with G & T advice.	Initial £2,892,525 during 6 months enabling period then pro rataed over construction period.	Cashflowed in line with G & T advice.
S106 / CIL Costs	£19.015 million total / £35.8k per unit	£19.015 million total / £35.8k per unit	£18.75 million
Marketing / Sales Costs	3% for marketing, agency and legals for private sale units.	3% for marketing, agency and legals for private sale units.	Agreed
Sales Agent Fee (Affordable)	0%.	0%	Agreed
Finance assumptions	6.75% debit and 0% credit.	6.75% debit and 0% credit.	Agreed.
Profit	20% on GDV for private and 6% for affordable	20% on GDV for private and 6% for affordable	Agreed.
Benchmark Land Value	£11.8 million based upon a gross site area of 59 acres and a rate of £200,000 per gross acre.	£8.85 million based upon a gross site area of 59 acres and a rate of £150,000 per gross acre.	£10.2 million assuming a rate of £172,000 per gross acre.

Bicester Eco Village
10% AH
530 units - TZC Build costs VE

Development Appraisal
Rapleys
04 October 2022

**Bicester Eco Village
10% AH
530 units - TZC Build costs VE**

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private Residential Houses	410	367,479	411.04	368,409	151,047,500
Private Residential Flats	65	44,667	413.39	284,077	18,465,000
Shared Ownership Houses	16	14,214	257.46	228,719	3,659,500
Affordable Rent Houses	23	23,931	211.27	219,821	5,055,875
Affordable Rent Flats	16	9,687	231.37	140,078	2,241,250
Totals	530	459,978			180,469,125

Additional Revenue

HIF Funding	1	1
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NET REALISATION

180,469,126

OUTLAY

ACQUISITION COSTS

Residualised Price	9,777,027	9,777,027
Stamp Duty	478,351	
Effective Stamp Duty Rate	4.89%	
Agent Fee	97,770	
Legal Fee	78,216	
		654,338

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Private Residential Houses	367,479	160.62	59,024,477
Private Residential Flats	55,834	160.62	8,968,017
Shared Ownership Houses	14,214	160.62	2,283,053
Affordable Rent Houses	23,931	160.62	3,843,797
Affordable Rent Flats	12,109	160.62	1,944,907
Totals	473,567 ft²		76,064,251
Infrastructure Contingency		10.00%	1,795,192
Developer Contingency		5.00%	3,803,213
Infrastructure / Abnormals			17,951,922
Health s106	530 un	281.29 /un	149,084
Neighbourhood Police s106	530 un	164.03 /un	86,936
Community Building s106	530 un	1,138.37 /un	603,336
Caversfield Church crossing s106			1
Community Dev workers s106	530 un	376.70 /un	199,651
Community Development fund s106	530 un	49.10 /un	26,023
Primary school s106	530 un	11,163.28 /un	5,916,538
Secondary school s106	530 un	7,805.38 /un	4,136,851
Special education needs s106	530 un	558.26 /un	295,878
Sports Pavilion s106	530 un	534.48 /un	283,274
Sports Pitch and maintenance s106	530 un	518.25 /un	274,673
Burial ground s106	530 un	10.91 /un	5,782
Community management org s106	530 un	1,537.21 /un	814,721
Community Facility maintenance s106	530 un	427.23 /un	226,432
Waste s106	530 un	106.90 /un	56,657
Bus Provision s106	530 un	1,179.46 /un	625,114
Ped / Cycle infrastructure s106	530 un	707.56 /un	375,007
Right of way s106	530 un	32.87 /un	17,421
Improvements to junction B4100 s106	530 un	499.02 /un	264,481
Travel Monitoring Plan s106	530 un	5.48 /un	2,904
Local Road improvements s106	530 un	377.35 /un	199,996
Bicester leisure centre s106	530 un	534.48 /un	283,274
Biodiversity s106	530 un	65.35 /un	34,636
Junction of charlotte avenue s106	530 un	84.79 /un	44,939
Strategic highway contribution s106	530 un	5,882.35 /un	3,117,646
Library services	530 un	58.34 /un	30,920
Children's services	530 un	8.68 /un	4,600
Village traffic calming	530 un	62.34 /un	33,040

Bicester Eco Village

10% AH

530 units - TZC Build costs VE

Secondary school land contribution	530 un	677.17 /un	358,900	
Braeburn Avenue			100,000	
Howes Lane Interim scheme			189,000	
				118,372,293

PROFESSIONAL FEES

Architect		8.00%	7,969,166	7,969,166
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DISPOSAL FEES

Private marketing, sales and legal		3.00%	5,085,375	5,085,375
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FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)				
Land			3,296,190	
Construction			754,900	
Total Finance Cost				4,051,090

TOTAL COSTS

145,909,289

PROFIT

34,559,837

Performance Measures

Profit on Cost%	23.69%
Profit on GDV%	19.15%
Profit on NDV%	19.15%
IRR% (without Interest)	23.95%
Profit Erosion (finance rate 6.750)	3 yrs 2 mths

Bicester Eco Village
100% Private
530 units - TZC Build costs

**Bicester Eco Village
100% Private
530 units - TZC Build costs**

Appraisal Summary for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	ft ²	Sales Rate ft ²	Unit Price	Gross Sales
Private Residential Houses	449	405,894	409.68	370,351	166,287,533
Private Residential Flats	<u>81</u>	<u>54,354</u>	414.69	278,272	<u>22,540,000</u>
Totals	530	460,248			188,827,533

Additional Revenue

HIF Funding			1		1
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NET REALISATION

188,827,534

OUTLAY

ACQUISITION COSTS

Residualised Price			7,851,703		7,851,703
Stamp Duty			382,085		
Effective Stamp Duty Rate		4.87%			
Agent Fee		1.00%	78,517		
Legal Fee		0.80%	62,814		
					523,416

CONSTRUCTION COSTS

Construction	ft ²	Build Rate ft ²	Cost
Private Residential Houses	405,894	173.53	70,434,786
Private Residential Flats	<u>67,943</u>	173.53	<u>11,790,062</u>
Totals	473,837 ft²		82,224,848
Infrastructure Contingency		10.00%	1,795,191
Developer Contingency		5.00%	4,111,242
Infrastructure / Abnormals			17,951,906
Health s106	530 un	281.29 /un	149,084
Neighbourhood Police s106	530 un	164.03 /un	86,936
Community Building s106	530 un	1,138.37 /un	603,336
Caversfield Church crossing s106			1
Community Dev workers s106	530 un	376.70 /un	199,651
Community Development fund s106	530 un	49.10 /un	26,023
Primary school s106	530 un	11,163.28 /un	5,916,538
Secondary school s106	530 un	7,805.38 /un	4,136,851
Special education needs s106	530 un	558.26 /un	295,878
Sports Pavilion s106	530 un	534.48 /un	283,274
Sports Pitch and maintenance s106	530 un	518.25 /un	274,673
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Community management org s106	530 un	1,537.21 /un	814,721
Community Facility maintenance s106	530 un	427.23 /un	226,432
Waste s106	530 un	106.90 /un	56,657
Bus Provision s106	530 un	1,179.46 /un	625,114
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Junction of charlotte avenue s106	530 un	84.79 /un	44,939
Strategic highway contribution s106	530 un	5,882.35 /un	3,117,646
Library services	530 un	58.34 /un	30,920
Children's services	530 un	8.68 /un	4,600
Village traffic calming	530 un	62.34 /un	33,040
Secondary school land contribution	530 un	677.17 /un	358,900
Braeburn Avenue Widening			100,000
Howes Lane Interim scheme			189,000
			124,840,902

PROFESSIONAL FEES

Bicester Eco Village

100% Private

530 units - TZC Build costs

Architect	8.00%	8,486,655	8,486,655
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DISPOSAL FEES

Private marketing, sales and legal	3.00%	5,664,826	5,664,826
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FINANCE

Debit Rate 6.750%, Credit Rate 0.000% (Nominal)			
Land		2,762,563	
Construction		931,935	
Total Finance Cost			3,694,499

TOTAL COSTS			151,062,000
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PROFIT			37,765,534
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Performance Measures

Profit on Cost%	25.00%
Profit on GDV%	20.00%
Profit on NDV%	20.00%
IRR% (without Interest)	25.77%
Profit Erosion (finance rate 6.750)	3 yrs 4 mths