

Appx 1d  
Proposed Scheme - Sites 1 - 5  
30% Affordable Housing DSP v1 with ground rents  
calfordseaden Timings

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Sandown Park Racecourse  
Portsmouth Road  
Esher  
KT10 9AJ

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Development Appraisal  
Dixon Searle Partnership  
24 April 2019

**APPRAISAL SUMMARY****DIXON SEARLE PARTNERSHIP**

**Appx 1d**  
**Proposed Scheme - Sites 1 - 5**  
**30% Affordable Housing DSP v1 with ground rents**

**Appraisal Summary for Merged Phases 1 2 3 4 5 6**

Currency in £

**REVENUE**

|                          |         |             |
|--------------------------|---------|-------------|
| SALES                    |         | 136,906,051 |
| Additional Sales Revenue |         | 2,119,788   |
| GROSS RENTAL VALUE pa    | 113,010 |             |
| CAPITALISATION           |         | 1,614,429   |

**GROSS DEVELOPMENT VALUE 140,640,268**

|                                  |    |        |
|----------------------------------|----|--------|
| Purchaser's Costs                |    | 99,933 |
| Effective Purchaser's Costs Rate | 6% | 99,933 |

**NET DEVELOPMENT VALUE 140,540,334**

|                    |  |           |
|--------------------|--|-----------|
| Additional Revenue |  | 3,520,000 |
|--------------------|--|-----------|

**NET REALISATION 144,060,334**

**OUTLAY**

**ACQUISITION COSTS**

|                                    |       |            |
|------------------------------------|-------|------------|
| Residualised Price                 |       | 35,092,809 |
| Residualised Price (Negative land) |       | 2,668,553  |
|                                    |       | 32,424,257 |
| Stamp Duty                         |       | 1,712,640  |
| Effective Stamp Duty Rate          | 4.88% |            |
| Agent Fee                          | 1%    | 350,928    |
| Legal Fee                          | 1%    | 175,464    |
| Town Planning                      |       | 250,000    |
|                                    |       | 2,489,032  |

**CONSTRUCTION COSTS**

|                               |  |            |
|-------------------------------|--|------------|
| Base Construction 311,897 ft² |  | 67,160,858 |
| Contingency                   |  | 3,358,043  |
| Statutory/LA                  |  | 4,876,239  |
|                               |  | 75,395,140 |

**PROFESSIONAL FEES**

|                            |    |           |
|----------------------------|----|-----------|
| Professional Fees - Site 3 | 3% | 718,405   |
| Professional Fees - Site 1 | 2% | 59,597    |
| Professional Fees - Site 2 | 3% | 284,314   |
| Professional Fees - Site 5 | 3% | 339,666   |
| Professional Fees - Site 4 | 3% | 465,825   |
|                            |    | 1,867,807 |

**MARKETING & LETTING**

|                   |     |        |
|-------------------|-----|--------|
| Letting Agent Fee | 10% | 11,301 |
| Letting Legal Fee | 3%  | 3,390  |
|                   |     | 14,691 |

**DISPOSAL FEES**

|                           |                |           |
|---------------------------|----------------|-----------|
| Sales Agent Fee - Private | 3%             | 2,962,000 |
| Sales Agent Fee - AH      | 1%             | 184,261   |
| Sales Legal Fee - Private | 223 un 600 /un | 133,800   |

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|   |               |        |                    |
|---|---------------|--------|--------------------|
| Sales Legal Fee - AH                            | 95 un 400 /un | 38,000 | 3,318,061          |
| <b>FINANCE</b>                                  |               |        |                    |
| Debit Rate 6.000%, Credit Rate 0.750% (Nominal) |               |        |                    |
| Total Finance Cost                              |               |        | 3,663,051          |
| <b>TOTAL COSTS</b>                              |               |        | <b>119,172,039</b> |
| <b>PROFIT</b>                                   |               |        | <b>24,888,295</b>  |

**Performance Measures**

IRR 22%