

Accessible Report



Isle of Wight Council

Local Plan Viability Assessment

November 2025

Quality Assurance

Date of Report	24/11/2025
Version	V2
Filename and path	S:_Client Projects\1807 Isle of Wight Whole Plan Viability Study_Isle of Wight Council\2506 WPV Update_Reports\2510 Viability Report\251124 Isle of Wight_Local Plan Viability Report 2025_v2.docx
Prepared by	Amir Shabir
Checked by	Daniel Starkey, Associate Director
Date	09/10/2025
Authorised by	Atam Verdi
Date	22/10/2025

Limitation

This report has been prepared on behalf of and for the exclusive use of Aspinall Verdi Limited's Client and it is subject to and issued in connection with the provisions of the agreement between Aspinall Verdi Limited and its Client. Aspinall Verdi Limited accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

Contents

Executive Summary

Report

1	Introduction	1
	Background	1
	RICS Practice Statement	1
	Objectivity, Impartiality and Reasonableness	2
	Conflicts of Interest	2
	Report Structure	2
2	National Policy Context	3
	National Planning Policy Framework	3
	National Planning Practice Guidance for Viability	5
3	Local Policy Context	11
	Draft Island Planning Strategy Policies	11
4	Viability Assessment Method	15
	Viability Modelling Best Practice	15
	Benchmark Land Value (BLV) Approach	16
	Guidance on Premiums/Land Value Adjustments	17
	Land Market for Development in Practice	23
	Brownfield / Greenfield Land Economics	24
	Hope Value	26
	Vacant Building Credit (VBC)	26
	Conclusions on BLV Approach	27
	BLV Caveats for Decision-Making	27
	How to Interpret the Viability Appraisals	28
	Sensitivity Analysis	29
5	Viability Assumptions	31
	Typology Assumptions	31
	Affordable Housing Assumptions	34
	Specialist Housing Typology Assumptions	34
	Residential Cost Assumptions	35
	Profit Assumptions	38
	Land Value Assumptions	39
6	Viability Appraisal Results	41
	Lower Value Area	41
	Higher Value Area	44
	Island Wide	47
	Retirement Housing	48
	Summary of Appraisal Results	49
7	Conclusions and Recommendations	52

Tables & Figures

Table 2.1 – NPPF Key Cross-References	3
---------------------------------------	---

Table 2.2 – PPG Viability Key Cross-References	5
Figure 4.1 – The Residual Land Valuation Framework	15
Figure 4.2 – Balance between RLV and BLV	16
Table 4.1 – Premium for BLV Considerations	18
Figure 4.3 – Example Hypothetical Appraisal Results	29
Figure 4.4 – Example Affordable Housing vs BLV Sensitivity Analysis	29
Table 5.1 – Summary of Development Typologies	32
Table 5.2 – Suggested Mix of Housing by Size and Tenure	32
Table 5.3 - Unit Size and Sales Value Assumptions (<49 Unit Schemes)	33
Table 5.4 - Unit Size and Sales Value Assumptions (>50 Unit Schemes)	34
Table 5.5 – Older Persons Accommodation Typology Assumptions	35
Table 5.6 – Residential Cost Assumptions	35
Table 5.7 – Benchmark Land Value Assumptions	40
Table 6.1 – Appraisal Summary of Typologies A-F (Lower Value Areas)	42
Table 6.2 - Appraisal Summary of Typologies G - L (Lower Value Areas)	43
Table 6.3 - Appraisal Summary of Typologies M -R (Higher Value Areas)	45
Table 6.4 - Appraisal Summary of Typologies S-T (Island Wide)	47
Table 6.5 - Appraisal Summary of Typologies V - Y (Retirement Housing)	48
Table 6.6 – Financial Appraisals Summary – 35% Affordable Housing	49
Table 6.7 –Appraisals Summary – Maximum Affordable Housing Achievable %	50

Appendices

- Appendix 1 – Policies Matrix
- Appendix 2 – Typologies Matrix
- Appendix 3 – Residential Market Paper
- Appendix 4 – Land Market Paper
- Appendix 5 – BCIS Build Costs
- Appendix 6 – Development Appraisals

Executive Summary

- ES 1 AspinallVerdi has been appointed by Isle of Wight Council (IOWC) to provide a Viability Assessment (VA) in respect of the Council's Draft Island Planning Strategy (IPS) (2021).
- ES 2 This viability assessment forms an update to the earlier work undertaken in 2022 by AspinallVerdi to support the emerging Isle of Wight Island Planning Strategy (IPS). The previous assessment provided viability evidence (dated July 2022) for the draft Plan.
- ES 3 Following Examination hearing sessions held in early 2025, the Inspectors issued a Post-Hearing Letter (ED21, April 2025) identifying key areas of concern. These included the need for further evidence on housing supply and delivery, infrastructure funding, affordable housing policy, and the impact of Net Zero Carbon policies on viability.
- ES 4 In response to these concerns, the Council is proposing updates to several planning policies and has commissioned us to revisit and update the viability evidence base. This updated viability assessment considers both the revised planning policies and the latest market conditions. It will inform the Council's position as part of its consultation on the proposed changes and ensure the IPS is underpinned by a robust and up-to-date viability evidence base ahead of the Main Modifications stage in 2026.
- ES 5 Therefore, in this study we have been instructed to:
- Review market values based on targeted new-build developments/schemes on the Island, review BCIS costs/assumptions and update policy costs following the hearing.
 - Prepare appraisals for existing / updated residential typologies following our 2022 study, with the same NPPF/NPPG compliant methodology.
 - Provide recommendations on the viability of IOWC's affordable housing policy across different development typologies and zones/areas on the Island.

Policy Context

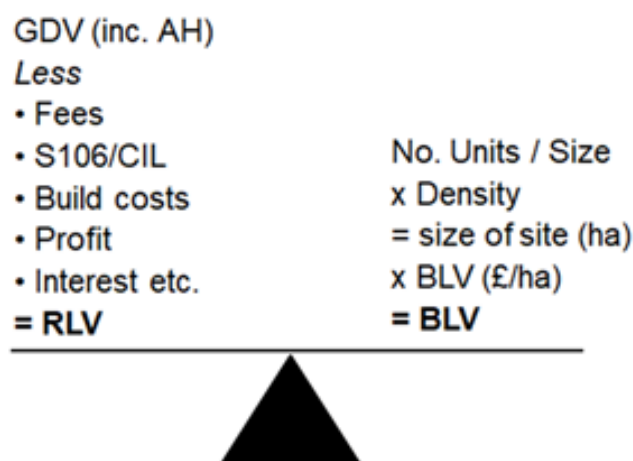
- ES 6 Our viability assessment has been carried out having regard to the various statutory requirements comprising primary legislation, planning policy, statutory regulations and guidance.
- ES 7 We identify in Section 2 the key cross-references in the NPPF and PPG and our comments in respect of viability and deliverability. In section 3 we provide an analysis of the policies in the Draft Island Planning Strategy (IPS), (2022), including the potential modifications to the policies following the Inspectors Post-Hearing Letter (ED21, April 2025). This is to ensure that the cumulative impact of policies is taken into consideration.
- ES 8 We have prepared a detailed policies matrix (Appendix 1) which identifies the local policies which have a direct, indirect or no impact on viability. Where necessary, it sets out the assumption we have made to mitigate the policy and identifies the source of

this assumption. The cumulative costs of national and local planning policies have been factored into our appraisals.

Approach

- ES 9 Through reviewing the new Plan and through our property market research, we have established a range of development typologies that we have financially appraised to assess the viability of the plan. The typologies are summarised at Appendix 2.
- ES 10 The viability of the typologies has been assessed using a financial viability appraisal, having regard to primary legislation, planning policy, statutory requirements and professional guidance. The principle of the assessment method is illustrated on the following diagram.

Figure ES.1 - Balance between Residual Land Value and Benchmark Land Value



Source: AspinallVerdi © Copyright

- ES 11 A scheme is viable if the Residual Land Value (RLV) is positive for a given level of profit. We describe this situation herein as being 'fundamentally' viable. If the RLV is negative, this situation results in a 'fundamentally unviable' scheme.
- ES 12 In planning viability terms, for a scheme to come forward for development the RLV for a particular scheme has to exceed the landowner's Benchmark Land Value (BLV).
- ES 13 The results of the appraisals should therefore be interpreted as follows:
- If the 'balance' is positive ($RLV > BLV$), then the CIL/policy is viable. We describe this as being 'viable for plan making purposes herein'.
 - If the 'balance' is negative ($RLV < BLV$), then the CIL/policy is 'not viable for plan making purposes and the CIL rates/planning obligations and/or affordable housing targets should be reviewed.

- Thirdly, if the RLV is positive, but the appraisal is not viable due to the BLV assumed – we refer to this as being ‘marginal’.

ES 14 In Development Management terms every scheme will be different (RLV) and every landowner’s motivation will be different (BLV)

Viability Conclusions

ES 15 Table ES.2 summarises our appraisal results for the various typologies based on an assumption of 35% affordable housing:

Table ES.2 – Summary of Appraisal Results – 35% Affordable Housing

Ref	#Units	Typology	% Affordable	Result
A	10	Lower Value Zone – Greenfield Sites / Adjacent to Rural Service Centres	35%	Unviable
B	10	Lower Value Zone - Brownfield	35%	Unviable
C	20	Lower Value Zone - Greenfield	35%	Unviable
D	20	Lower Value Zone - Brownfield	35%	Unviable
E	50	Lower Value Zone - Greenfield	35%	Marginal
F	50	Lower Value Zone - Brownfield	35%	Unviable
G	100	Lower Value Zone - Greenfield	35%	Marginal
H	100	Lower Value Zone - Brownfield	35%	Marginal
I	200	Lower Value Zone - Greenfield	35%	Marginal
J	200	Lower Value Zone - Brownfield	35%	Unviable
K	500	Lower Value Zone - Greenfield	35%	Marginal
L	1,200	Lower Value Zone – Mixed (GF / BF)	35%	Unviable
M	10	Higher Value Zone - Greenfield Sites / Adjacent to Rural Service Centres	35%	Viable
N	20	Higher Value Zone - Brownfield	35%	Viable
O	25	Higher Value Zone - Greenfield	35%	Viable
P	100	Higher Value Zone - Greenfield	35%	Viable
Q	150	Higher Value Zone - Brownfield	35%	Viable
R	250	Higher Value Zone – Brownfield (Apartments)	35%	Unviable

Ref	#Units	Typology	% Affordable	Result
S	35	Island Wide – Brownfield (Apartments)	35%	Unviable
T	8	Island Wide – Greenfield Rural Exception Site	100%	Viable (with grant)
V	50	Island Wide – Greenfield Sheltered Housing	35%	Unviable
W	50	Island Wide - Brownfield Sheltered Housing	35%	Unviable
X	50	Island Wide – Greenfield Extra-Care Housing	35%	Unviable
Y	50	Island Wide – Brownfield Extra-Care Housing	35%	Unviable

Source: AspinallVerdi

ES 16 We have also provided in the table below a summary of what the maximum level of affordable housing the typologies are viable at, based on our updated appraisals and sensitivity analyses.

Ref	#Units	Typology	Maximum % Affordable	Result
A	10	Lower Value Zone – Greenfield Sites / Adjacent to Rural Service Centres	15%	Viable
B	10	Lower Value Zone - Brownfield	15%	Viable
C	20	Lower Value Zone - Greenfield	15%	Viable
D	20	Lower Value Zone - Brownfield	15%	Viable
E	50	Lower Value Zone - Greenfield	20%	Viable
F	50	Lower Value Zone - Brownfield	15%	Viable
G	100	Lower Value Zone - Greenfield	25%	Viable
H	100	Lower Value Zone - Brownfield	20%	Viable
I	200	Lower Value Zone - Greenfield	25%	Viable
J	200	Lower Value Zone - Brownfield	15%	Viable
K	500	Lower Value Zone - Greenfield	25%	Viable
L	1,200	Lower Value Zone – Mixed (GF / BF)	20%	Viable
M	10	Higher Value Zone - Greenfield Sites / Adjacent to Rural Service Centres	35%	Viable

Ref	#Units	Typology	Maximum % Affordable	Result
N	20	Higher Value Zone - Brownfield	35%	Viable
O	25	Higher Value Zone - Greenfield	35%	Viable
P	100	Higher Value Zone - Greenfield	50%	Viable
Q	150	Higher Value Zone - Brownfield	50%	Viable
R	250	Higher Value Zone – Brownfield (Apartments)	0%	Unviable
S	35	Island Wide – Brownfield (Apartments)	0%	Unviable
T	8	Island Wide – Greenfield Rural Exception Site	100%	Viable (with grant)
V	50	Island Wide – Greenfield Sheltered Housing	0%	Unviable
W	50	Island Wide - Brownfield Sheltered Housing	0%	Unviable
X	50	Island Wide – Greenfield Extra-Care Housing	0%	Unviable
Y	50	Island Wide – Brownfield Extra-Care Housing	0%	Unviable

ES 17 Based on the assumptions set out in this report and the financial appraisals appended, we can state that the Draft Island Planning Strategy is not consistently viable on the basis of 35% affordable housing in line with draft IPS policies AFF1 and H5.

ES 18 In light of current market conditions and the findings of this assessment, we recommend that the Council considers moderating the affordable housing requirement in certain lower-value areas and for higher-cost typologies. A reduced target would improve deliverability while ensuring the Plan remains consistent with national policy. This approach would also respond directly to the Inspectors' post-hearing comments, ensuring that the Plan is demonstrably deliverable across all value zones.

ES 19 The Island Wide Typologies cannot afford to deliver Carbon/Energy Reduction initiatives that go beyond the statutory building regulations. Our policy recommendations are as follows:

Typology / Value Zone	Greenfield / Brownfield	Recommendation	Comment
Lower Value Zone	Greenfield	20% AH	15% reduction in AH recommended. Although 20-unit typology is marginal at this level.

Lower Value Zone	Brownfield	15% AH	20% reduction in AH recommended.
Higher Value Zone	Both	35% AH	No reduction recommended.
Island Wide – Retirement Housing	Both	0%	No AH recommended as this development type is fundamentally unviable.

1 Introduction

- 1.1 AspinallVerdi has been appointed by Isle of Wight Council (IOWC) to provide a Viability Assessment (VA) in respect of the Council's Draft Island Planning Strategy (IPS) (2021).

Background

- 1.2 This viability assessment forms an update to the earlier work undertaken in 2022 by AspinallVerdi to support the emerging Isle of Wight Island Planning Strategy (IPS). The previous assessment provided viability evidence (dated July 2022) for the draft Plan.
- 1.3 Following Examination hearing sessions held in early 2024, the Inspectors issued a Post-Hearing Letter (ED21, April 2025) identifying key areas of concern. These included the need for further evidence on housing supply and delivery, infrastructure funding, affordable housing policy, and the impact of Net Zero Carbon policies on viability.
- 1.4 In response to these concerns, the Council is proposing to update some planning policies and has commissioned us to revisit and update the viability evidence base. This updated viability assessment considers both the revised planning policies and the latest market conditions. It will inform the Council's position as part of future consultation on Main Modifications and ensure the IPS is underpinned by a robust and up-to-date viability evidence base.
- 1.5 Therefore, in this study we have been instructed to:
- Review market values based on targeted new-build developments/schemes on the Island, review BCIS costs/assumptions and update policy costs following the hearing.
 - Run appraisals for existing / updated residential typologies following our 2022 study, with the same NPPF/NPPG compliant methodology.
 - Provide recommendations on the viability of IOWC's affordable housing policy across different development typologies and zones/areas on the Island.

RICS Practice Statement

- 1.6 Our viability assessment has been carried out in accordance with the RICS¹ Financial Viability in Planning: Conduct and Reporting Professional Standard (1st Edition, May 2019).
- 1.7 Our FVA has also been carried out in accordance with the RICS Assessing Viability in Planning under the National Planning Policy Framework 2019 for England Professional Standard (1st edition, March 2021) having regard to the latest revisions to the National Planning Policy Framework (NPPF, last updated December 2024) and the Planning Practice Guidance (PPG).

¹ Royal Institution of Chartered Surveyors

Objectivity, Impartiality and Reasonableness

- 1.8 We have carried out our review in collaboration with the Council as LPA and where necessary in consultation with industry. At all times we have acted with objectivity, impartially and without interference when carrying out our viability assessment and review.
- 1.9 At all stages of the viability process, we have advocated reasonable, transparent and appropriate engagement between the parties.

Conflicts of Interest

- 1.10 We confirm that we have no conflict of interest in providing this advice and we have acted independently and impartially.

Report Structure

- 1.11 The remainder of this report is structured as follows:

Section:	Contents:
Section 2 - National Planning Context	This section sets out the statutory requirements for the Local Plan viability including the NPPF and PPG website.
Section 3 - Local Planning Context	This section sets out the details of the existing evidence base and the Island Planning Strategy policies which will have a direct impact on viability - the assumptions we have made to mitigate such policies are set out in Section 5 – Viability Assumptions.
Section 4 - Viability Assessment Method	This section describes our generic methodology for appraising the viability of development which is based on the residual approach as required by guidance and best practice. Please note the Benchmark Land Value (BLV) caveats for future site-specific appraisals.
Section 5 - Viability Assumptions	This section sets out the development typologies that are to be tested as part of the study. We also summarise the cost and value assumptions made in the financial appraisals. This section references separate papers on the residential market and land values which are appended to this report.
Section 6 - Viability Appraisal Results	In this section we present the findings of our financial appraisals.
Section 7 - Conclusions and Recommendations	Finally, we make our recommendations in respect of the Island Planning Strategy including affordable housing, non-affordable housing Section 106 contributions and other planning policy costs.

2 National Policy Context

- 2.1 Our viability assessment has been carried out having regard to the various statutory requirements comprising primary legislation, planning policy, statutory regulations and guidance.
- 2.2 We identify below the key cross-references in the NPPF and PPG and our comments in respect of viability and deliverability. This is not meant to be exhaustive and reference should be directly made to the relevant sections of the NPPF and PPG.

National Planning Policy Framework

- 2.3 The NPPF confirms the Government's planning policies for England and how these should be applied and provides a framework within which locally-prepared plans can provide for housing and other development in a sustainable manner².
- 2.4 It confirms the primacy of the development plan in determining planning applications. It must be taken into account in preparing the development plan and is a material consideration in decision-making.
- 2.5 It is important to note that within the new NPPF, paragraph 173 of the original 2012 NPPF has been deleted. The old paragraph 173 referred to viability and required '*competitive returns to a willing land owner and willing developer to enable the development to be deliverable*'.
- 2.6 The "new" NPPF (iterations from 2019) refers increasingly to *deliverability* as well as viability which requires that infrastructure can be delivered to support schemes (with sustainable land values and profit margins).
- 2.7 We draw your attention to the following key paragraphs (**Error! Reference source not found.**). Our emphasis on the quotes can be seen in bold and our comments can be seen with asterisks.

Table 2.1 – NPPF Key Cross-References

Paragraph Number - Item	Quote / Comments
Para 35 - Development contributions	<i>"Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan."</i>
Para 58 – Planning obligations [tests]	<i>"Planning obligations must only be sought where they meet all of the following tests³:</i>

² National Planning Policy Framework, December 2024, para 1

³ Set out in Regulation 122(2) of the Community Infrastructure Levy Regulations 2010.

	<p>a) <i>necessary to make the development acceptable in planning terms;</i></p> <p>b) <i>directly related to the development; and</i></p> <p>c) <i>fairly and reasonably related in scale and kind to the development.</i>"</p> <p>* Notwithstanding the latest changes to the CIL Regulations (2015) which do away with the requirements for a Regulation 123 list of infrastructure, these tests ensure that Local Authorities cannot charge S106 or CIL twice for the same infrastructure (as this would not be fair and reasonable).</p>
Para 59 – Presumption of viability	<p><i>"Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available."</i> (Our emphasis)</p> <p>* We understand that the Government's objective is to reduce the delays to delivery of new housing due to the site-specific viability process that was created as a result of the previous paragraph 173. Once a new Local Plan is adopted no site-specific viability assessment should be required (except in exceptional circumstances) and developers should factor into their land buying decisions the cost of planning obligations (including affordable housing).</p>
Para 65 – 10 Unit Threshold	<p><i>"Provision of affordable housing should not be sought for residential developments that are not major⁴ developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer)."</i></p>

⁴ Major development: For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m² or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

Para 65 – Vacant Building Credit (VBC)	<i>“To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.”</i>
Para 66 – Affordable Home Ownership	<i>“Where major development involving the provision of housing is proposed, planning policies and decisions should expect that the mix of affordable housing required meets identified local needs, across Social Rent, other affordable housing for rent and affordable home ownership tenures.”</i>

Source: NPPF (last updated December 2024) and AspinallVerdi.

National Planning Practice Guidance for Viability

- 2.8 The Planning Practice Guidance for Viability was first published in March 2014 and substantially updated in line with the NPPF. This has subsequently been updated on numerous⁵ occasions and most recently on 12th December 2024.
- 2.9 Below we summarise some key aspects of the PPG for this study (**Error! Reference source not found.**). Our emphasis on the quotes can be seen in bold and our comments can be seen with asterisks.

Table 2.2 – PPG Viability Key Cross-References

Paragraph Number - Item	Quote / Comments
Para 001 – Setting Policy requirements	<p><i>“Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure).</i></p> <p><i>These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land. To provide this certainty, affordable housing requirements should be expressed as a single figure rather than a range. Different requirements may be set for different</i></p>

⁵ PPG Viability has been updated in February 2019, May 2019, 1 September 2019 and 12 December 2024.

	<p><i>types or location of site or types of development.</i>" (Our emphasis)</p> <p>*This confirms that Local Authorities can set different levels of CIL and/or affordable housing by greenfield or brownfield typologies (see below also).</p>
Para 002 - Deliverability	<p><i>"It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers."</i></p> <p>And, <i>"policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision-making stage."</i></p> <p>Also, <i>"it is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant."</i> (Our emphasis)</p>
Para 003/4 - Typologies	<p><i>"Plan makers can use site typologies to determine viability at the plan making stage."</i> (Para 003)</p> <p><i>"A typology approach is a process plan makers can follow to ensure that they are creating realistic, deliverable policies based on the type of sites that are likely to come forward for development over the plan period."</i> (Para 004)</p> <p>*Plan makers can group sites by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development. The characteristics used to group sites should reflect the nature of typical sites that may be developed within the plan area and the type of development proposed for allocation in the plan.</p>
Para 010 - Principles for carrying out a viability assessment (strike a balance)	<p><i>"Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return" – i.e., a residual land value approach.</i></p>

	<p><i>“In plan making and decision-making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.” (Our emphasis)</i></p>
Para 011 – Gross Development Value	<p><i>“For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered.”</i></p> <p><i>“For commercial development a broad assessment of value in line with industry practice may be necessary.”</i></p> <p><i>“For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data.” (Our emphasis)</i></p>
Para 013 – Benchmark Land Value (BLV)	<p><i>“A benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner.” (Our emphasis)</i></p>
Para 014 – Development costs	<p><i>“Assessment of costs should be based on evidence which is reflective of local market conditions. Costs include:</i></p> <ul style="list-style-type: none"> <i>• build costs - e.g., Building Cost Information Service (BCIS)</i> <i>• abnormal costs*</i> <i>• site-specific infrastructure costs*</i> <i>• the total cost of all relevant policy requirements (e.g. BNG)*</i> <i>• general finance</i> <i>• professional*, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site</i> <i>• explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return”</i> <p><i>*PPG suggests that these costs should be taken into account when defining benchmark land value.</i></p>

Para 014 - What factors should be considered to establish BLV?	<p><i>“Benchmark land value should:</i></p> <ul style="list-style-type: none"> <i>• be based upon existing use value (EUV)</i> <i>• allow for a premium to landowners</i> <i>• reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees.”</i>
Para 014 – Market evidence in BLV	<p><i>“Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.”</i> (Our emphasis)</p>
Para 014 – Circularity of land values	<p><i>“[Market] evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.”</i> (Our emphasis)</p>
Para 015 – Existing Use Value (EUV)	<p><i>“EUV is the value of the land in its existing use.”</i></p> <p><i>“Existing use value is not the price paid and should disregard hope value.”</i></p> <p><i>“Existing use values will vary depending on the type of site and development types.”</i></p> <p><i>“EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).”</i></p>
Para 016 – Premium	<p><i>“[The premium] is the amount above existing use value (EUV) that goes to the landowner.”</i></p> <p><i>“The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to fully comply with policy requirements.”</i></p>

	<p><i>“Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration.”</i></p> <p><i>“Market evidence can include benchmark land values from other viability assessments.”</i></p> <p><i>“Land transactions can be used but only as a cross check to the other evidence.”</i></p> <p><i>“Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners.”</i></p> <p><i>“Policy compliance means that the development complies fully with up-to-date plan policies including any policy requirements for contributions towards affordable housing requirements at the relevant levels set out in the plan.”</i></p>
Para 016 – Price paid evidence	<p><i>Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).</i></p> <p><i>The PPG emphasises throughout (para 2, 3, 6, 11, 14, 18) that the price paid for land is not a relevant justification for failing to accord with relevant policies in the plan.</i></p> <p><i>* However, data on actual price paid (or the price expected to be paid through an option or promotion agreement) is particularly relevant for [strategic] sites to ensure that they are deliverable over-time. [We would argue that this is relevant for all sites in the interests of transparency.]</i></p>
Para 017 – Alternative Use Value (AUV)	<p><i>This is more relevant at the decision-making stage as our site typologies herein are all for broadly defined uses.</i></p>
Para 018 – Profit (return to developers)	<p><i>“For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development.”</i></p> <p><i>“A lower figure may be more appropriate in consideration of delivery of affordable housing in</i></p>

	<p><i>circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.”</i> (Our emphasis)</p> <p>*In this respect we have provided sensitivities on the profit margin. For retail and industrial / logistics typologies, we have adopted a profit on cost.</p>
Para 019 – Build to rent (BTR)	<p><i>“The economics of build to rent schemes differ from build for sale as they depend on a long-term income stream. For build to rent, it is expected that the normal form of affordable housing provision will be affordable private rent. Where plan makers wish to set affordable private rent proportions or discount levels at a level differing from national planning policy and guidance, this can be justified through a viability assessment at the plan making stage.”</i> (Our emphasis)</p>

Source: PPG Viability (last updated December 2024) and AspinallVerdi.

3 Local Policy Context

- 3.1 This section sets out the local policy context for our viability assessment.
- 3.2 Analysis has been undertaken of the policies set out in the Draft Island Planning Strategy (IPS), (2022). This includes potential modifications to the policies following the Inspectors Post-Hearing Letter (ED21, April 2025) identifying key areas of concern.
- 3.3 We have analysed the policies and addressed the main modifications impacting our viability assessment, to ensure those proposed policies/proposed modifications that could impact upon viability and ensure they are captured in our testing.
- 3.4 The Council currently does not have a Community Infrastructure Levy (CIL) in place therefore policy contributions are sought only through Section 106 obligations.

Draft Island Planning Strategy Policies

- 3.5 The Council's draft IPS sets out the overall growth strategy for the Island.
- 3.6 Policy G1 sets out the Council's approach towards sustainable development and growth and G2 identifies the priority locations for development and growth. The policy explains that the focus for sustainable growth is development within settlement boundaries of primary and secondary settlements and rural service centres.
- 3.7 This means that 97.8% of the homes allocated are within the following primary (88.6%) and secondary (9.2%) settlements:
 - Primary Settlements: Cowes (including Gurnard & Northwood), East Cowes, Newport, The Bay (Sandown, Lake and Shanklin) and Ryde.
 - Secondary Settlements: Bembridge, The West Wight (Freshwater and Totland), Wootton and Ventnor.
- 3.8 In the submitted IPS, there is a total of 2,707 dwellings proposed on allocated sites within the plan period.. Of these, 1,266 are on greenfield sites. A further 2,596 homes are expected from large sites with planning permission
- 3.9 There are 856 dwellings proposed for allocation on purely brownfield sites.
- 3.10 The remaining 585 dwellings proposed for allocation within the plan period are on 'mix sites' with elements of brownfield and greenfield. The largest, the Former Camp Hill prison site, is allocated for 750 homes (330 within the plan period) and is 65/35 in favour of greenfield and is in public sector ownership (Ministry of Justice)..
- 3.11 Development in Sustainable Rural Settlements (Calbourne, Chale Green, Havenstreet, Nettlestone, Newchurch, Seaview, Shalfleet, Wellow and Whitwell) will be carefully managed and will only take place where it improves their sustainability and addresses local need through exception sites.
- 3.12 Development proposals for non-allocated sites will be expected to:
 - Be located within the settlement boundaries of the Primary Settlements, Secondary Settlements and Rural Service Centres (as shown on the Policies Map);
 - Clearly contribute to delivering the Island's identified housing need, economic aspirations or achieving Island-wide regeneration aspirations; and

- Make as much use as possible of previously developed land in line with H9; and
 - Deliver all policy requirements of the Island Planning Strategy.
- 3.13 Outside defined settlement boundaries proposals for infill development will be supported in accordance with policies; H4 - Infill Opportunities outside Settlement Boundaries, H6 Housing in the Countryside, H7 Rural & First Home Exception Sites and H9 New Housing on Previously Developed Land.
- 3.14 As part of the Examination hearings, the Inspectors explored potential policy levers to support additional small-scale housing delivery. One such option included allowing development of minor schemes (less than 10 units) immediately adjacent to Rural Service Centres. The Council is considering this as a potential modification, and we have reflected this in our updated typologies.
- 3.15 Appendix 1 provides an assessment of the impact the emerging policies will have on viability. The assessment is made through a 'traffic light system': policies marked red (high impact) are presumed to have a direct impact on viability and have been incorporated into the financial appraisal. Where a policy is considered to have medium risk (amber colour), generally it has an indirect impact on viability and has been factored into the study during the property market cost and value assumptions. Where policies have little or no direct viability impact, they are considered low risk (green colour).
- 3.16 A number of policies that have been identified that will have a cost implication are:
- AFF1 - This policy introduces a locally specific definition of affordable housing, with discount levels varying by unit size (up to 70% of market value for 1 – 2 beds, 65% for 3 beds, and 60% for 4+ beds, or the local housing allowance — whichever is lower). It also introduces a requirement for new affordable homes to meet the M4(2) accessible and adaptable standard.
 - G3 – Developer Contributions - including affordable housing, transport infrastructure, ecological/ environmental mitigation, education and health infrastructure, open space and/ or Suitable Alternative Natural Greenspaces (SANGs), cultural, public realm provision, community and sports infrastructure/ facilities. Post-Hearing, this now also reflects the adopted Health Contributions SPD which requires contributions from qualifying development (over 20 units) where capacity requires additional infrastructure.
 - KPS1 & KPS2 – Key Priority Sites at Camp Hill and Newport Harbour Riverside which have specific requirements in terms of land uses and infrastructure. We have not tested strategic / priority sites in this assessment.
 - H3 – Housing Allocations General Requirements – 35% affordable housing requirement as well as a 10% net gain in biodiversity and as required onsite play/ open space, children's services facilities and off-site junction improvements. Developments of 75+ dwellings may be required to provide any Suitable Alternative Natural Greenspace (SANG) in line with EV3.
 - H5 – Delivering Affordable Housing – setting out the affordable housing target and tenure split and the appropriate reduction from full market value. This policy previously included First Homes in the tenure mix; however, this is no longer a requirement. Target mix of AH has been revised from 70/30 to 80/20 to provide more social rental properties. The Post-Hearing Letter also requested further work/updates to the Affordable Housing Transfer Values adopted in the 2022

Viability Study. We have addressed this in our Residential Market Paper (appendix 3)

- H7 – Rural and First Homes Exception Sites – 100% affordable housing.
- H8 – Ensuring the Right Mix of Housing – setting out requirements in terms of mix. 10% of all new market homes to be M4(3) compliant and up to 30% in the affordable sector.
- T2 – A Better-Connected Island – contributions towards infrastructure.
- T5 – Electric Vehicle Charging Points – electric charging points required on developments
- C5 – Facilitating Independent Living – at least 20% of the total dwellings for private market sale built to meet Part M4(2) of the Building Regulations to ensure suitability for older people and/ or those with mobility problems.
- C11 – Net Zero Carbon and Lowering Energy Consumption in New Development – all major development to meet net zero thresholds and include renewable energy systems to meet the predicted energy requirements. Following feedback from the Inspectors (Post-Hearing), the Council has indicated this policy may be deleted or revised to align with national standards. For the purposes of this Local Plan Viability Assessment, we have included costs associated with compliance with the Future Homes Standard (FHS) only to align with national standards and with FHS which at the time of writing was expected to be published in Autumn 2025.
- C12 - Utility Infrastructure Requirements for New Development – Council supports development that improves infrastructure, and if insufficient capacity in existing development will need to provide infrastructure.
- EV2 - Ecological Assets and Opportunities for Enhancement – a 10% net gain in biodiversity requirement.
- EV3 – Recreation Impact on the Solent European Sites – mitigation measures for the Solent Special Protection Area (SPA). We assume these will be covered on a site-specific basis. Any contributions that would come at this stage, would likely be based on the Bird Aware Solent Strategy Developer Contributions per dwelling from April 2025.
- EV5 – Trees, Woodland and Hedgerows – development to retain trees, woodland and hedgerows.
- EV6 - Protecting and Providing Green and Open Spaces – preference for greenspace to be provided on-site.
- EV 10 - Managing Our Water Resource – development to conserve water, reduce water run-off and provide on-site sustainable drainage systems (SUDs) where appropriate.
- EV14 - Managing Flood Risk in New Development – a number of developments will require flood risk mitigation.
- EV15 - Monkton Mead Catchment Area – schemes affected by this policy need to provide sustainable drainage systems (SUDs) and undertaken flood mitigation works.

- EV18 – Improving Resilience from Coastal Flooding – contributions sought towards coastal flood defence works.

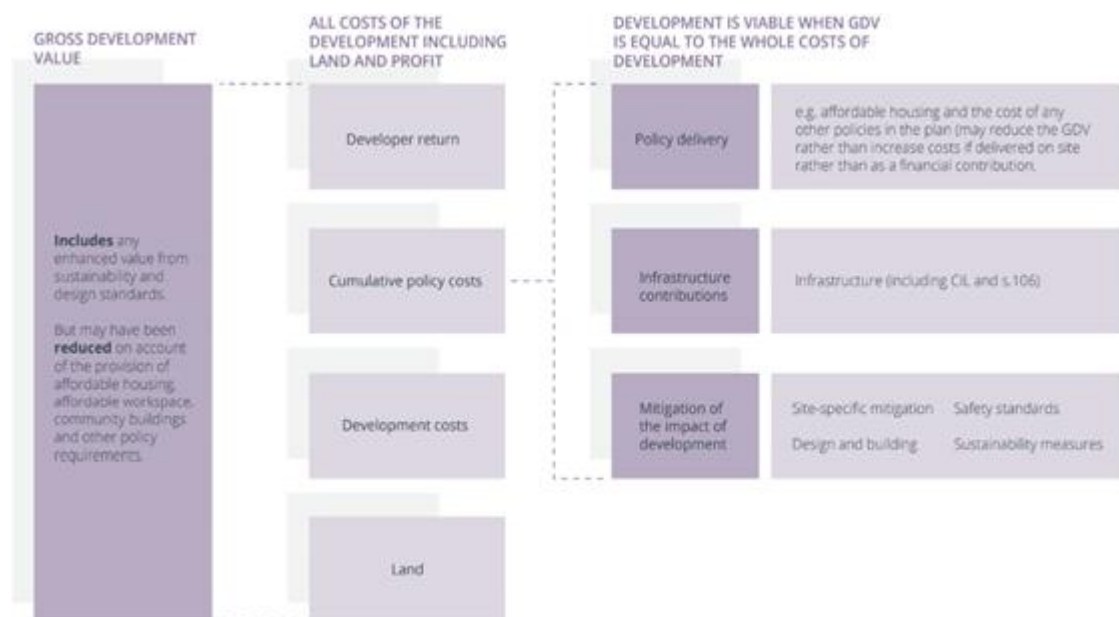
4 Viability Assessment Method

- 4.1 In this section of the report, we set out our methodology to establish the viability of the various land uses and development typologies described in the following sections.
- 4.2 Cross-reference should be made back to the Viability PPG guidance in section 2 and specifically the guidance in respect of EUV, premium and profit.
- 4.3 We also set out the professional guidance that we have had regard to in undertaking the financial viability appraisals and some important principles of land economics.

Viability Modelling Best Practice

- 4.4 The general principle is that planning obligations including affordable housing (etc.) will be levied on the increase in land value resulting from the grant of planning permission. However, there are fundamental differences between the land economics of brownfield and greenfield sites and every development scheme is different. Therefore, in order to derive the potential planning obligations and understand the 'appropriate balance' between securing infrastructure/affordable housing contributions and maintaining development viability, it is important to understand the micro-economic principles which underpin the viability analysis.
- 4.5 The uplift in value is calculated using a residual land value (RLV) appraisal. Figure 4.1 below, illustrates the principles of a RLV appraisal.

Figure 4.1 – The Residual Land Valuation Framework



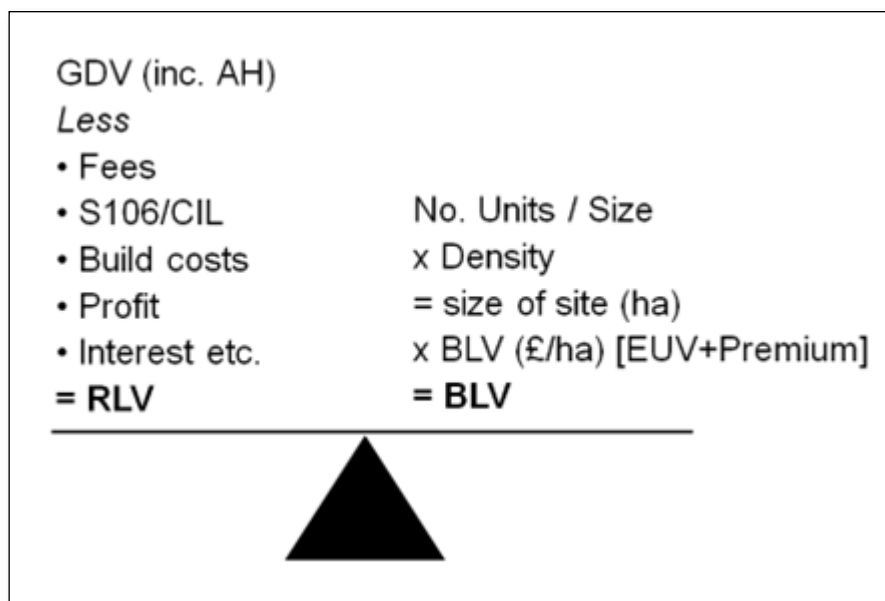
Source: RICS Assessing viability planning under the National Planning Policy Framework 2019 for England, Guidance Note, 1st edition, March 2021.

- 4.6 In the above diagram, a scheme is viable if the Gross Development Value (GDV) of the scheme is greater than the total of all the costs of development including land,

development costs, cumulative policy costs and profit (developers return). Conversely, if the GDV is less than the total costs of development, the scheme will be unviable.

- 4.7 In accordance with the PPG, to advise on the ability of the proposed uses/scheme to support affordable housing and CIL/planning obligations we have benchmarked the residual land values (RLV) from the viability analysis against existing or alternative land use relevant to the particular typology – the Benchmark Land Value (BLV). This is illustrated in **Error! Reference source not found.** below.

Figure 4.2 – Balance between RLV and BLV



Source: AspinallVerdi © Copyright

Source: AspinallVerdi

- 4.8 If the balance is positive, then the policy is viable. If the balance is negative, then the policy is not viable and any policy requirements (affordable housing/s106, CIL) should be reviewed.

Benchmark Land Value (BLV) Approach

- 4.9 Benchmark land value has been subject to much debate in recent years due to trying to establish the most appropriate method to determine it for planning purposes. The two most common approaches have been Existing Use plus and Market Value adjusted for policy. The latter, although a more market facing approach, has faced criticism because practitioners have not necessarily been adjusting land values fully for policy. The PPG now provides a clear single method (Existing Use plus Premium) in determining land value.
- 4.10 Paragraph: 013 Reference ID: 10-013-20190509 of the Viability PPG states that,
*To define land value for any viability assessment, a benchmark land value should be established on the basis of the **existing use value (EUV)** of the land, **plus a premium** for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The*

premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to fully comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).

- 4.11 See **Error! Reference source not found.** above for the relevant references to the PPG for the definition of EUV and the premium.
- 4.12 The RICS also supports the EUV plus method when determining land value for planning purposes. The RICS Assessing Viability in Planning under the National Planning Policy Framework, Professional Statement, March 2021 states that '*the PPG is unambiguous that EUV+ is the primary approach.*'⁶ Land transaction evidence should only be used as a cross-check to the EUV plus premium. The RICS guidance emphasises the PPG paragraph 016 which states that '*any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners*'⁷.
- 4.13 The RICS defines '*EUV for the purposes of FVAs as the value in the existing use, ignoring any prospect of future change to that use. This may however include permitted development or change of use within the same planning use class, but only where this does not necessitate any refurbishment or redevelopment works to the existing buildings or site works.*'⁸
- 4.14 The International Valuation Standards, January 2025, defines EUV as:
*'Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use.'*⁹

Guidance on Premiums/Land Value Adjustments

- 4.15 The PPG requires the existing use value plus premium approach to land value. However, there is no specific guidance on the premium. One therefore has to 'triangulate' the BLV based on evidence.
- 4.16 A number of reports have commented upon the critical issue of land value, as set out below. These inform the relationship between the 'premium' and 'hope value' (see below) in the context of market value. The PPG is explicit that hope value should be disregarded for the purposes of arriving at the EUV¹⁰. However, hope value is a fundamental part of the market mechanism and therefore is relevant in the context of the premium.
- 4.17 We set out in Table 4.1 our consideration of suitable premiums to apply.

⁶ RICS, March 2021 (effective from 01 July 2021), Assessing viability in planning under the National Planning Policy Framework 2019 for England, paragraph 5.7.7

⁷ Ibid, paragraph 5.7.6

⁸ Ibid, paragraph B.1.2

⁹ RICS Valuation – Global Standards Incorporating the IVSC International Valuation Standards Issued 31 January 2024, effective from 31 January 2025, Paragraph A100.01

¹⁰ Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019

Table 4.1 – Premium for BLV Considerations

Evidence / Source	Quote / Comments
RICS, Assessing Viability in Planning under the National Planning Policy Framework 2019 for England, March 2021 (effective from 01 July 2021)	<p>The RICS acknowledge that <i>‘there is no standard amount for the premium and the setting of realistic policy requirements that satisfy the reasonable incentive test behind the setting of the premium is a very difficult judgement’</i>.¹¹</p> <p>The RICS guidance further explains that <i>‘for a plan-making FVA, the EUV and the premium is likely to be the same for the same development typology, but it would be expected that a site that required higher costs to enable development would achieve a lower residual value. This should be taken account of in different site typologies at the plan-making stage’</i>.¹²</p>
Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning practitioners (The Harman Report)	<p>The Harman Report was published in response to the introduction of viability becoming more prominent in the planning system post the introduction of the NPPF.</p> <p>The Harman report refers to the concept of ‘Threshold Land Value’ (TLV). Harman states that the <i>‘Threshold Land Value should represent the value at which a typical willing landowner is likely to release land for development’</i>.¹³ While this is an accurate description of the important value concept, we adopt the Benchmark Land Value (BLV) terminology throughout this report in-line with the terminology in the PPG.</p> <p>Although the Harman Report pre-dates the current iteration of the PPG on viability it does recommend the EUV plus approach to determine land value for planning purposes.</p> <p>The Harman report also advocates that when assessing an appropriate Benchmark Land Value, consideration should be given to <i>‘the fact that future plan policy requirements will have an impact on land values and owners’ expectations’</i>.¹⁴</p> <p>Harman, does acknowledge that reference to market values will provide a useful ‘sense check’ on the Benchmark Land Values that are being used in the appraisal model; however, <i>‘it is not recommended</i></p>

¹¹ RICS, March 2021 (effective from 01 July 2021), Assessing viability in planning under the National Planning Policy Framework 2019 for England, paragraph 5.3.3

¹² Ibid, paragraph 5.3.7

¹³ Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning practitioners, page 28

¹⁴ Ibid, page 29

	<p><i>that these are used as the basis for input into a model.</i>¹⁵</p> <p>It also acknowledges that for large greenfield sites, <i>'land owners are rarely forced or distressed sellers, and generally take a much longer term view over the merits or otherwise of disposing of their asset.'</i>¹⁶ It refers to these 'prospective sellers' as <i>'potentially making a once in a lifetime decision over whether to sell an asset that may have been in the family, trust or institution's ownership for many generations.'</i>¹⁷ In these circumstances, Harman states that for these greenfield sites that, <i>'the uplift to current use value sought by the landowner will invariably be significantly higher than in an urban context and requires very careful consideration.'</i>¹⁸</p>
HCA Transparent Viability Assumptions (August 2010)	<p>In terms of the EUV + premium approach, the Homes and Communities Agency (now Homes England) published a consultation paper on transparent assumptions for Area Wide Viability Modelling.</p> <p>This notes that, 'typically, this gap or premium will be expressed as a percentage over EUV for previously developed land and as a multiple of agricultural value for greenfield land'.</p> <p>It also notes that benchmarks and evidence from planning appeals tend to be in a range of '10% to 30% above EUV in urban areas. For greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value'.¹⁹ (Our emphasis)</p>
Inspector's Post-Hearing Letter to North Essex Authorities	<p>The Inspector's letter is in relation to, amongst other things, the viability evidence of three proposed garden communities in North Essex. The three Garden Communities would provide up to 43,000 dwellings in total. The majority of land for the Garden Communities is in agricultural use, and the Inspector recognised that the EUV for this use would be around £10,000 per gross acre. In this case, the Inspector was of the opinion that around a x10 multiple (£100,000 per gross acre) would provide sufficient incentive for a landowner to sell. But given <i>'the necessarily substantial requirements of the Plan's policies'</i> a price <i>'below £100,000/acre could</i></p>

¹⁵ Ibid

¹⁶ Ibid, page 30

¹⁷ Ibid

¹⁸ Ibid

¹⁹ HCA, August 2010, Area Wide Viability Model (Annex 1 Transparent Viability Assumptions)

	<i>be capable of providing a competitive return to a willing landowner’.²⁰ The Inspector, however, judged that ‘it is extremely doubtful that, for the proposed GCs, a land price below £50,000/acre – half the figure that appears likely to reflect current market expectations – would provide a sufficient incentive to a landowner. The margin of viability is therefore likely to lie somewhere between a price of £50,000 and £100,000 per acre.’²¹</i>
Parkhurst Road v SSCLG & LBI (2018) ²²	<p>The High Court case between Parkhurst Road Limited (Claimant) and Secretary of State for Communities and Local Government and The Council of the London Borough of Islington (Defendant(s)) addresses the issue of land valuation and the circularity of land values which are not appraised on a policy compliant basis.</p> <p>In this case it was common ground that the existing use was redundant and so the existing use value (“EUV”) was “negligible”. There was no alternative form of development which could generate a higher value for an alternative use (“AUV”) than the development proposed by Parkhurst. The site did not suffer from abnormal constraints or costs. LBI contended that there was considerable “headroom” in the valuation of such a site enabling it to provide a substantial amount of affordable housing in accordance with policy requirements. Furthermore, that the achievement of that objective was being frustrated by Parkhurst’s use of a ‘greatly inflated’ BLV for the site which failed properly to reflect those requirements. Mr Justice Holgate dismissed the challenge and agreed with LBI that what is to be regarded as comparable market evidence, or a “market norm”, should “reflect policy requirements” in order to avoid the “circularity” problem²³.</p>
Land Value Capture report (Sept 2018) ²⁴	The House of Commons - Housing, Communities and Local Government Committee has published a report into the principles of land value capture. This defines land value capture, the scope for capturing additional land value and the lessons learned from

²⁰ Planning Inspectorate, 15 May 2020, Examination of the Shared Strategic Section 1 Plan - North Essex Authorities, Paragraph 204

²¹ Ibid, Paragraph 205

²² Parkhurst Road v SSCLG & LBI, Before MR JUSTICE HOLGATE Between: Parkhurst Road Limited Claimant - and - Secretary of State for Communities and Local Government and The Council of the London Borough of Islington Defendant/s, Case No: CO/3528/2017

²³ Ibid, paragraph 39

²⁴ House of Commons Housing, Communities and Local Government Committee Land Value Capture Tenth Report of Session 2017–19 HC 766 Published on 13 September 2018 by authority of the House of Commons

	<p>past attempts to capture uplifts in land value. It reviews improving existing mechanisms, potential legislative reforms and alternative approaches to land value capture. Paragraph 109 of the report states, <i>‘[...] the extent to which the ‘no-scheme’ principle would reduce value “very much depends on the circumstances”. For land in the middle of the countryside, which would not otherwise receive planning permission for housing, the entire development value could be attributed to the scheme. However, [...] most work was undertaken within constrained urban areas—such as town extensions and redevelopments—where the hope value was much higher’.</i></p> <p>Hence it is important to consider the policy context for infrastructure and investment when considering land values. For example, where existing agricultural land in the green belt is being considered for housing allocations, the entire uplift in value is attributable to the policy decision (without which there can be no development).</p>
Land at Warburton Lane, Trafford (Appeal Ref: APP/Q4245/W/19/3243720) ²⁵	<p>Planning appeal for up to 400 dwellings, appeal dismissed. The Inspector preferred the Council’s approach to land value. The Council used agricultural land value of £8,000 per acre. They applied a x10 premium to the net developable area of 33.75 acres and £8,000 per acre to the remainder of the site. The total benchmark land value of £2,900,000. The total site area was 62 acres (25 hectares). The benchmark land value equated to £116,000 per gross hectare (£46,945 per gross acre) / 5.87 multiplier on the agricultural land value of £8,000 per acre. In considering the premium the Inspector noted that, <i>‘there is no evidence that I have seen that says the premium should be any particular value. The important point is that it should be sufficient to incentivise the landowner to sell the land and should also be the minimum incentive for such a sale to take place’.</i>²⁶ It was relevant to note that, <i>‘in this case one of the two landowners had agreed in the option agreement to sell the land for whatever is left after a standard residual</i></p>

²⁵ Appeal Decision, Appeal Ref: APP/Q4245/W/19/3243720, Land at Warburton Lane, Trafford by Christina Downes BSc DipTP MRTPI an Inspector appointed by the Secretary of State for Communities and Local Government Decision date: 25th January 2021

²⁶ Appeal Decision, Appeal Ref: APP/Q4245/W/19/3243720, Land at Warburton Lane, Trafford by Christina Downes BSc DipTP MRTPI an Inspector appointed by the Secretary of State for Communities and Local Government Decision date: 25th January 2021, para 118

	<i>assessment</i> ²⁷ and therefore had accepted lower minimum / BLV requirements.
Mayor of London CIL (Jan 2012)	<p>The impact on land value of future planning policy requirements e.g. CIL [or revised Affordable Housing targets] was contemplated in the Examiner's report to the Mayor of London CIL (January 2012).²⁸</p> <p>Paragraph 32 of the Examiner's report states:</p> <p><i>the price paid for development land may be reduced. As with profit levels there may be cries that this is unrealistic, but a reduction in development land value is an inherent part of the CIL concept. It may be argued that such a reduction may be all very well in the medium to long term but it is impossible in the short term because of the price already paid/agreed for development land. The difficulty with that argument is that if accepted the prospect of raising funds for infrastructure would be forever receding into the future... (our emphasis).</i></p> <p>It was recognised in 2012 (which was at a time of similarly challenging economic circumstances post credit-crunch as it is currently) that land values would have to soften in order to allow the necessary infrastructure to be delivered in accordance with public policy.</p>
Greater Norwich CIL (Dec 2012)	<p>The Greater Norwich Development Partnership's CIL Examiner's report adds to this -</p> <p><i>Bearing in mind that the cost of CIL needs to largely come out of the land value, it is necessary to establish a threshold land value i.e. the value at which a typical willing landowner is likely to release land for development. Based on market experience in the Norwich area the Councils' viability work assumed that a landowner would expect to receive at least 75% of the benchmark value.²⁹. (our emphasis)</i></p>
Sandwell CIL (Dec 2014)	<p>Furthermore, the Examiner's report for the Sandwell CIL states -</p> <p><i>The TLV (Threshold Land Value) is calculated in the VAs [Viability Assessments] as being 75% of market land values for each typology. According to</i></p>

²⁷ Ibid, para 119

²⁸ Holland, K (27 January 2012) Report on the Examination of the Draft Mayoral Community Infrastructure Levy Charging Schedule, The Planning Inspectorate, PINS/K5030/429/3

²⁹ Report to the Greater Norwich Development Partnership – for Broadland District Council, Norwich City Council and South Norfolk Council, by Keith Holland BA (Hons) Dip TP, MRTPI ARICS, 4 December 2012, File Ref: PINS/G2625/429/6 – paragraph 9

	<p><i>the CA, this way of calculating TLVs is based on the conclusions of Examiners in the Mayor of London CIL Report January 2012 and the Greater Norwich Development Partnership CIL Report December 2012. This methodology was uncontested³⁰.</i></p> <p>This VA was prepared by AspinallVerdi for Sandwell MBC which was predicated on a reduction in land values to accommodate the CIL [policy costs].</p>
NPPF Proposed Changes (December 2024) ³¹	<p>In line with the issues highlighted above, regarding the need to reduce land value for schemes to become viable and deliverable, the December 2024 NPPF introduces a revised approach to land value expectations for sites released from the Green Belt.</p> <p>The Government proposes to set fair land values that allow for an appropriate premium above the existing use, however reflect the need for policy delivery.</p> <p>As part of this approach, the Government states that if land is sold or optioned above the indicative benchmark land value, viability assessment should not be undertaken. By doing so, Councils should receive appropriate contributions and private developers should not seek to lower contributions, therefore maintaining a fair value transfer between the public and private sector.</p>

Source: AspinallVerdi, 2024

Land Market for Development in Practice

- 4.18 A very important aspect when considering area-wide viability is an appreciation of how the property market for development land works in practice within a locational and market context.
- 4.19 Developers have to secure sites and premises in a competitive environment and therefore have to equal or exceed the landowners' aspirations as to value for the landowner to sell. From the developers' perspective, this price has to be agreed often many years before commencement of the development. The developer has to subsume all the risk of: acquiring the site, ground conditions; obtaining planning permission; funding the development; finding a tenant/occupier; increases in construction costs; and changes to the economy and market demand etc. This is a significant amount of work for the developer to manage; but this is the role of the developer and to do so the developer is entitled to a *normal* developer's profit.

³⁰ Report to Sandwell Metropolitan Borough Council by Diana Fitzsimons MA MSc FRICS MRTPI an Examiner appointed by the Council, 16 December 2014, File Ref: PINS/G4620/429/9 - paragraph 16

³¹ Proposed reforms to the National Planning Policy Framework and other changes to the planning system, Ministry of Housing, Communities and Local Government, Updated 2 August 2024, Chapter 5 Paragraph 28a

- 4.20 The developer will appraise all of the above costs and risks to arrive at their view of the residual site value of a particular site.
- 4.21 To mitigate some of these risks, developers and landowners often agree to share some of these risks by entering into arrangements such as: Market Value options based on a planning outcome; 'subject to planning' land purchases; promotion agreements; and / or overage agreements whereby the developer shares any 'super-profit' over the normal benchmark.
- 4.22 From the landowners' perspective, they will have a preconceived concept of the value or worth of their site. This could be fairly straight-forward to value, for example, in the case of greenfield agricultural land which is subject to per hectare benchmarks. However, in the case of brownfield sites, the existing use value could be a lot more subjective depending upon: the previous use of the property; the condition of the premises; contamination; and/or any income from temporary lets, car parking and advertising hoardings etc. Also, whilst (say) a former manufacturing building could have been state-of-the-art when it was first purchased by the landowner, in a redevelopment context it might now be the subject of depreciation and obsolescence which the landowner finds difficult to reconcile. Accordingly, the existing use value is much more subjective in a brownfield context.

Brownfield / Greenfield Land Economics

- 4.23 Traditionally, development of brownfield land has been more challenging than that of greenfield owing to associated demolition, clearance and remediation costs as well as higher land values. The difference between greenfield and brownfield scheme economics is usually important to understand for affordable housing targets; plan viability and CIL rate setting.
- 4.24 CIL has its roots in the perceived windfall profit arising from the release of greenfield land by the planning system to accommodate new residential sites and urban extensions³². However, lessons from previous attempts to tax betterment³³ show that this is particularly difficult to achieve effectively without stymieing development. It is even harder to apply the concept to brownfield redevelopment schemes with all attendant costs and risks.
- 4.25 The timing of redevelopment and regeneration of brownfield land particularly is determined by the relationship between the value of the site in its current [low value] use ("Existing Use Value") and the value of the site in its redeveloped [higher value] use – less the costs of redevelopment. Any planning gain which impacts these costs will have an effect on the timing of redevelopment. This is relevant to consider when setting the 'appropriate balance'.
- 4.26 Fundamentally, S106, CIL etc. is a form of 'tax' on development as a contribution to infrastructure. By definition, any differential rate of CIL/S106 will have a distorting effect on the pattern of land uses. The question as to how this will distort the market will depend upon how the CIL/S106 is applied.

³² See Barker Review (2004) and Housing Green Paper (2007)

³³ the 2007 Planning Gain Supplement, 1947 'Development Charge', 1967 'Betterment Levy' and the 1973 'Development Gains Tax' have all ended in repeal

- 4.27 Also, consideration must be given to the 'incidence' of the tax i.e. who ultimately is responsible for paying it i.e. the developer out of profit or the landowner out of price (or a bit from each).
- 4.28 This is particularly relevant in the context of brownfield sites in the town centres and built-up areas. Any CIL/S106 on brownfield redevelopment sites will impact the timing and rate of redevelopment. This will have a direct effect on economic development, jobs and growth.
- 4.29 In the brownfield context redevelopment takes place at a point in time when buildings are economically obsolete (as opposed to physically obsolete). Over time the existing use value of buildings falls as the operating costs increase, depreciation kicks in and the rent falls by comparison with modern equivalent buildings. In contrast, the value of the next best alternative use of the site increases over time due to development pressure in the urban context (assuming there is general economic growth in the economy). Physical obsolescence occurs when the decreasing existing use value crosses the rising alternative use value.
- 4.30 However, this is not the trigger for redevelopment. Redevelopment requires costs to be incurred on site demolition, clearance, remediation, and new build construction costs. These costs have to be deducted from the alternative use value 'curve'. The effect is to extend the time period to achieve the point where redevelopment is viable.
- 4.31 This is absolutely fundamental for the viability and redevelopment of brownfield sites. Any tariff, tax or obligation which increases the costs of redevelopment will depress the net alternative use value and simply extend the timescale to when the alternative use value exceeds the existing use value to precipitate redevelopment.
- 4.32 Contrast this with the situation for development on greenfield land. Greenfield sites are constrained by the planning designation. Once a site is 'released' for development there is a significant step-up in development value – which makes the development economics much more accommodating than brownfield redevelopment. There is much more scope to capture development gain, without postponing the timing of development.
- 4.33 That said, there are some other important considerations to take into account when assessing the viability of greenfield sites. This is discussed in the Harman Report (albeit Harman is superseded by the PPG, the principles still stand)³⁴.
- 4.34 The existing use value may be only very modest for agricultural use and on the face of it the landowner stands to make a substantial windfall to residential land values. However, there will be a lower benchmark (Benchmark Land Value) where the land owner will simply not sell. This is particularly the case where a landowner *'is potentially making a once in a lifetime decision over whether to sell an asset that may have been in the family, trust or institution's ownership for many generations.'*³⁵ Accordingly, the 'windfall' over the existing use value will have to be a sufficient incentive to release the land and forgo future investment returns.
- 4.35 Another very important consideration is the promotional cost of strategic greenfield sites. For example, in larger scale urban extension sites and garden communities, there will be significant investment in time and resources required to promote these

³⁴ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) pp 29-31

³⁵ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) page 30

sites through the development plan process. The benchmark land value therefore needs to take into account the often-substantial planning promotion costs, option fees etc. and the return required by the promoters of such sites. *'This should be borne in mind when considering the [benchmark] land value adopted for large sites and, in turn, the risks to delivery of adopting too low a [benchmark] that does not adequately and reasonably reflect the economics of site promotion...'*³⁶

- 4.36 This difference between the development 'gain' in the context of a greenfield windfall site and the slow-burn redevelopment of brownfield sites is absolutely fundamental to the success of any regime to capture development gain such as affordable housing, other S106 or CIL. It is also key to the 'incidence' of the tax i.e., whether the developer or the land owner carries the burden of the tax.

Hope Value

- 4.37 Where there is a possibility of development the landowner will often have regard to 'hope value'. Hope value is the element of market value of a property in excess of the existing use value, reflecting the prospect of some more valuable future use or development. It takes account of the uncertain nature or extent of such prospects, including the time which would elapse before one could expect planning permission to be obtained or any relevant constraints overcome, so as to enable the more valuable use to be implemented. Therefore, in a rising market, landowners may often have high aspirations of value beyond that which the developer can justify in terms of risk and in a falling market the land owner may simply 'do nothing' and not sell in the prospect of a better market returning in the future. The actual amount paid in any particular transaction is the purchase price and this crystallises the value for the landowner.
- 4.38 Note that hope value is represented in the EUV premium and can never be in excess of policy compliant market value (RLV), given RICS guidance on the valuation of development sites (see **Error! Reference source not found.** above).
- 4.39 Hence land 'value' and 'price' are two very different concepts which need to be understood fully when formulating planning policy. The incidence of any S106 tariff or CIL to a certain extent depends on this relationship and the individual circumstances. For example, a farmer with a long-term greenfield site might have limited 'value' aspirations for agricultural land – but huge 'price' aspirations for residential development. Whereas an existing factory owner has a much higher value in terms of sunk costs and investment into the existing use and the tipping point between this and redevelopment is much more marginal.

Vacant Building Credit (VBC)

- 4.40 The VBC policy is intended to incentivise affordable housing on brownfield sites, including the reuse or redevelopment of empty and redundant buildings. The incentive is applied where a vacant building is brought back into any lawful use, or is demolished to be replaced by a new building and where the building has not been abandoned. In deciding whether a use has been abandoned, account should be taken of all relevant circumstances, such as:
- the condition of the property

³⁶ Local Housing Delivery Group, Local Government Association / Home Builders Federation / NHBC (20 June 2012) Viability Testing Local Plans, Advice for planning practitioners, Edition 1 (the 'Harman' report) page 31

- the period of non-use
 - whether there is an intervening use; and
 - any evidence regarding the owner's intention.
- 4.41 For this viability assessment, we have not tested brownfield typologies which benefit from Vacant Building Credit as this is site-specific. The inclusion of VBC will however reduce affordable housing requirements on some brownfield sites, consequently improving the viability of these sites. This is therefore an additional level of contingency for brownfield typologies.

Conclusions on BLV Approach

- 4.42 Current guidance is clear that the land value assessment needs to be based on Existing Use plus premium and not a Market Value approach. Although the assessment of the Existing Use can be informed by comparable evidence the uncertainty lies in how the premium is calculated. Whatever is the resulting land value (i.e. Existing Use plus Premium) the PPG is clear that this must reflect the cost of complying with policies: *'the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, biodiversity net gain (as required by Schedule 7A of the Town and Country Planning Act), and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value.'*³⁷
- 4.43 Detailed research and analysis in respect of land values (Benchmark Land Values) are set out within section 7 below and the Land Market paper appended (see Appendix 4 – Land Market Review).

BLV Caveats for Decision-Making

- 4.44 It is important to note that the BLV's contained herein are for 'high-level' plan/CIL viability purposes and the appraisals should be read in the context of the BLV sensitivity table (contained within the appraisals). The BLV's included herein are generic and include healthy premiums to provide a viability buffer for plan making purposes.
- 4.45 In the majority of circumstances, we would expect the RLV of a scheme on a policy compliant basis to be greater than the EUV (and also the BLV including premium) herein and therefore viable.
- 4.46 However, there may be site specific circumstances (e.g. brownfield sites or sites with particularly challenging topography, access or other constraints) which result in a RLV which is less than the BLV herein. It is important to emphasise that the adoption of a particular amount for the BLV (£) in the base-case appraisal typologies in no way implies that this figure can be used by applicants to negotiate site specific planning applications where these constraints exist. In these circumstances, the site-specific BLV should be thoroughly evidenced having regard to the EUV of the site in accordance with the PPG. In this respect we would expect any developer with viability issues to provide open and transparent land price information in accordance with the

³⁷ MHCLG, 12 December 2024, PPG, Paragraph: 014 Reference ID: 10-012-20180724

PPG paragraphs 014 and 016. **This report is for policy-making purposes and is without prejudice to future site-specific planning applications.**

How to Interpret the Viability Appraisals

- 4.47 In development terms, the price of a site is determined by assessment of the residual land value (RLV). This is the gross development value of the site (GDV) less ALL costs including planning policy requirements and developers' profit. If the RLV is positive the scheme is viable. If the RLV is negative the scheme is not viable.
- 4.48 Part of the skill of a developer is to identify sites that are in a lower value economic use and purchase / option these sites to (re)develop them into a higher value use. The landowner has a choice - to sell the site or not to sell their site. This is manifest through the BLV which comprises the existing use value (EUV) of the subject site plus a premium, depending on their individual circumstances.
- 4.49 A scheme is viable if the RLV is positive for a given level of profit. We describe this situation herein as being 'fundamentally' viable. If the RLV is negative, this situation results in a 'fundamentally unviable' scheme.
- 4.50 In planning viability terms, for a scheme to come forward for development the RLV for a particular scheme has to exceed the landowner's BLV.
- 4.51 In Development Management terms every scheme will be different (RLV) and every landowner's motivation will be different (BLV). For example, some brownfield sites are liabilities for owners; whereas some greenfield sites are of such a large size that there is a quantum issue which needs to take into consideration infrastructure and net-to-gross ratios.
- 4.52 For Plan Making purposes it is important to benchmark the RLV's from the viability analysis against existing or alternative land use relevant to the particular typology.
- 4.53 The results of the appraisals should therefore be interpreted as follows:
- If the 'balance' is positive ($RLV > BLV$), then the policy is viable. We describe this as being 'viable for plan making purposes herein'.
 - If the 'balance' is negative ($RLV < BLV$), then the policy is 'not viable for plan making purposes,' and the CIL rates/planning obligations and/or affordable housing targets should be reviewed.
 - Thirdly, if the RLV is positive, but the appraisal is not viable due to the BLV assumed – we refer to this as being 'marginal'.
- 4.54 This is illustrated in the following boxes of our appraisals (appended) – see below. In this hypothetical case the RLV is calculated as £2,794,196 or £395,778 per acre net (highlighted in blue). This is based upon the residual land value approach. The assumed BLV is £250,000 per acre (highlighted in green) which equals £1,765,000 overall. The difference between the RLV and BLV is the surplus or deficit which in this example is £1,029,196 (£145,778 per acre) (highlighted orange). The RLV has to be greater than the BLV to be viable.

Figure 4.3 – Example Hypothetical Appraisal Results

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				3,236,856
SDLT		3,236,856	HMRC formula	(151,343)
Acquisition Agent fees		3,236,856	1.0%	(32,369)
Acquisition Legal fees		3,236,856	0.5%	(16,184)
Interest on Land		3,236,856	7.50%	(242,764)
Residual Land Value				2,794,196
RLV analysis:	27,942 £ per plot	977,969 £ per ha (net)	395,778 £ per acre (net)	
		733,476 £ per ha (gross)	296,834 £ per acre (gross)	
			11.20% % RLV / GDV	
BENCHMARK LAND VALUE (BLV)				
Residential Density		35.0 dph (net)		
Site Area (net)		2.86 ha (net)	7.06 acres (net)	
Net to Gross ratio		75%		
Site Area (gross)		3.81 ha (gross)	9.41 acres (gross)	
Density analysis:		2,916 sqm/ha (net)	12,701 sqft/ac (net)	
		26 dph (gross)		
Benchmark Land Value (net)	17,650 £ per plot	617,750 £ per ha (net)	250,000 £ per acre (net)	1,765,000
BLV analysis:		463,313 £ per ha (gross)	187,500 £ per acre (gross)	
BALANCE				
Surplus/(Deficit)		360,219 £ per ha (net)	145,778 £ per acre (net)	1,029,196

Source: AspinallVerdi BETA model

Sensitivity Analysis

4.55 In addition to the above, we have also prepared a series of sensitivity scenarios for each of the typologies. This is to assist in the analysis of the viability (and particularly the viability buffer); the sensitivity of the appraisals to key variables such as planning obligations, affordable housing, BLV and profit; and to consider the impact of rising construction costs. An example of a sensitivity appraisal and how they are interpreted is shown below. Similar sensitivity tables are attached to each of our hypothetical appraisals (appended).

Figure 4.4 – Example Affordable Housing vs BLV Sensitivity Analysis

TABLE 4		Affordable Housing - % on site 30%						
Balance (RLV - BLV £ per acre (n))	145,778	10%	15%	20%	25%	30%	35%	40%
100,000		484,959	422,671	380,384	338,096	295,778	253,447	211,115
150,000		414,959	372,671	330,384	288,096	245,778	203,447	161,115
200,000		364,959	322,671	280,384	238,096	195,778	153,447	111,115
250,000	250,000	314,959	272,671	230,384	188,096	145,778	103,447	61,115
300,000		264,959	222,671	180,384	138,096	95,778	53,447	11,115
350,000		214,959	172,671	130,384	88,096	45,778	3,447	(38,885)
400,000		164,959	122,671	80,384	38,096	(4,222)	(46,553)	(88,885)
450,000		114,959	72,671	30,384	(11,904)	(54,222)	(96,553)	(138,885)
500,000		64,959	22,671	(19,616)	(61,904)	(104,222)	(146,553)	(188,885)
550,000		14,959	(27,329)	(69,616)	(111,904)	(154,222)	(196,553)	(238,885)
600,000		(35,041)	(77,329)	(119,616)	(161,904)	(204,222)	(246,553)	(288,885)
650,000		(85,041)	(127,329)	(169,616)	(211,904)	(254,222)	(296,553)	(338,885)
700,000		(135,041)	(177,329)	(219,616)	(261,904)	(304,222)	(346,553)	(388,885)
750,000		(185,041)	(227,329)	(269,616)	(311,904)	(354,222)	(396,553)	(438,885)
800,000		(235,041)	(277,329)	(319,616)	(361,904)	(404,222)	(446,553)	(488,885)
850,000		(285,041)	(327,329)	(369,616)	(411,904)	(454,222)	(496,553)	(538,885)

Source: AspinallVerdi BETA model

- 4.56 This sensitivity table shows the balance (RLV – BLV) for different combinations of Affordable Housing (AH %) across the columns and different BLVs (£ per acre) down the rows. Thus:
- You should be able to find the appraisal balance by looking up the base case AH% (e.g., 40%) and the BLV (£250,000 per acre)
 - Higher BLV's will reduce the 'balance' and if the balance is negative the scheme is 'not viable' for Plan Making purposes (note that it may still be viable in absolute RLV terms and viable in Plan Making terms depending on other sensitivities (e.g. BLV, Profit (see below)).
 - Lower BLV's will increase the 'balance' and if the balance is positive then the scheme is viable in Plan Making terms.
 - Similarly, higher levels of AH (%) will reduce the 'balance'.
 - And, lower levels of AH (%) will increase the 'balance'.
 - So, for example, one can read-across the BLV (e.g., £250,000 per acre) to the relevant affordable housing column (30%), and still find that the scheme is viable.
- 4.57 Please note that this appraisal is purely hypothetical.
- 4.58 We have carried out the following sensitivity analysis herein (see appraisals):
- Table 1 – S106 v Affordable Housing %
 - Table 2 – Profit v Affordable Housing %
 - Table 3 – BLV v Affordable Housing %
 - Table 4 – Density v Affordable Housing %
 - Table 5 - Build Cost v Affordable Housing %
 - Table 6 – Market Values v Affordable Housing %
 - Table 7 – Carbon / Energy Reduction Policy Cost v Affordable Housing %

5 Viability Assumptions

- 5.1 This section sets out the assumptions used in our financial appraisal models to test viability.

Typology Assumptions

- 5.2 The detailed residential typologies are set out in the matrix appended (Appendix 2). These have been developed with reference to the Council's current site allocations, the Housing Needs Assessment (2022), the latest Housing Monitoring Data (provided by IOWC) and our previous 2022 viability study. The typologies draw directly on the earlier analysis of the IPS allocation strategy, yield ranges, site types (greenfield/brownfield/mixed), and value zone distribution.
- 5.3 We have retained the same broad typology structure as in 2022, given the consistency of the Plan's spatial strategy and housing trajectory. The original site selection analysis, which considered delivery likelihood, location within settlement boundaries, and public/private ownership, remains relevant and underpins the typologies tested. These can be seen in detail in the 2022 report.
- 5.4 Typologies have been structured to reflect:
- Small sites (<50 dwellings), which are typically delivered by SME or regional developers;
 - Large sites (>50 dwellings), more commonly brought forward by volume housebuilders;
 - Greenfield, brownfield, and mixed site contexts;
 - Higher and lower value zones across the Island;
 - Rural and First Homes Exception Sites, including new policy considerations for 5–10-unit schemes adjacent to Rural Service Centres, as discussed at the Examination hearings.
- 5.5 This categorisation of small and large site typologies aligns with the Government's Planning Reform Working Paper: Reforming Site Thresholds (May 2025), which introduces a new 'medium site' category for schemes of 10–49 homes; separating them from 'major' developments of 50+ units.

Number of Units

- 5.6 The typologies for this assessment have been formulated to reflect the nature of proposed allocated housing sites in terms of size (numbers of units and density) and location, taking into consideration the housing market areas set out above. We summarise our site typologies below:

Table 5.1 – Summary of Development Typologies

Market Area / Zone	Typology Mix – Small Greenfield	Typology Mix – Large Greenfield	Typology Mix – Small Brownfield	Typology Mix – Large Brownfield
Lower Value	10 Units 20 Units	50 Units 100 Units 200 Units 500 Units	10 Units 20 Units	50 Units 100 Units 200 Units 1,200 Units (mixed GF/BF)
Higher Value	10 Units 25 Units	100 Units	20 Units	150-units 250-units (flatted)
Island Wide	8 Units (RES)	N/A	35 Units (flatted)	N/A

Source: AspinallVerdi

- 5.7 The density assumptions we have made are shown on the typologies matrix but range between 25 - 45 dwellings per hectare (dph) on housing sites with flatted developments this is over 75 dph. We have included a sensitivity table analysing the impact of density on viability and we also show the density on a square metre per hectare basis at the bottom of each financial appraisal.
- 5.8 The assumptions can be seen in the typology's matrix (see Appendix 2).

Housing Mix

- 5.9 The typologies matrix shows the mix assumed for each typology. The housing mixes are based primarily on the recommended mix from Policy H8 of the submitted IPS 2024. This is shown below in Table 5.2.

Table 5.2 – Suggested Mix of Housing by Size and Tenure

Tenure	One bedroom	Two bedrooms	Three bedrooms	four or more bedrooms
Private	5%	30%	40%	25%
Social or affordable rent	40%	30%	25%	5%
Low cost home ownership	20%	40%	30%	10%

Source: Draft Island Planning Strategy 2024

- 5.10 We have had regard to the policy requirement for 'four or more bedrooms', the latest Housing Needs Assessment (2022), Housing Monitoring Data, and our market analysis (see Residential Market Paper - Appendix 3). Although the policy does not distinguish

between 4-bed and 5-bed homes, the data indicates that 5-bed units have consistently come forward on the Island in recent years. Whilst not prevalent, they are being delivered by some housebuilders and represent part of the local market offer. On this basis, we have applied a broad 25% allocation to this category in private housing, split 20% to 4-beds and 5% to 5-beds.

- 5.11 Other than the specific development typologies for apartments (i.e. town centre schemes), we have only included apartments on large sites of 200+ dwellings. Apartments can be more challenging from a viability perspective due to higher costs of construction often not completely recovered in sales values. However, on the Isle of Wight there is an opportunity to command a premium for apartments with a waterfront location as demonstrated in 3. Our sales value assumptions are conservative for apartments and do not reflect a waterfront premium. The inclusion of them in the housing mix has a negative impact on viability. We are of the view that the market would only include apartments where it is viable to do so.

Value and Unit Size Assumptions

- 5.12 The residential market paper (see Appendix 3) provides the background to the market housing value assumptions shown in the table below.
- 5.13 For the purposes of our area wide viability assessment, we have applied the following values and floor areas within our financial appraisals. For the Island Wide typologies, we have adopted the higher value area values.

Table 5.3 - Unit Size and Sales Value Assumptions (<49 Unit Schemes)

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	55.00	£158,000	£2,873	55.00	£190,000	£3,455
2-Bed Flat	70.00	£190,000	£2,714	70.00	£242,000	£3,457
2-Bed House	72.00	£238,000	£3,306	78.00	£275,000	£3,526
3-Bed House	87.00	£350,000	£4,023	97.00	£400,000	£4,124
4-Bed House	115.00	£450,000	£3,913	128.00	£550,000	£4,297
5-Bed House	140.00	£530,000	£3,786	160.00	£625,000	£3,906

Source: AspinallVerdi

Table 5.4 - Unit Size and Sales Value Assumptions (>50 Unit Schemes)

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	45.00	£148,000	£3,289	45.00	£168,000	£3,733
2-Bed Flat	60.00	£179,000	£2,983	60.00	£210,000	£3,500
2-Bed House	70.00	£221,000	£3,157	75.00	£252,000	£3,360
3-Bed House	84.00	£280,000	£3,333	93.00	£375,000	£4,032
4-Bed House	110.00	£410,000	£3,727	115.00	£480,000	£4,174

Source: AspinallVerdi

Affordable Housing Assumptions

- 5.14 This section sets out the assumptions used in the appraisals for affordable housing, including the basis for affordable housing values.
- 5.15 Our approach to valuing affordable housing is on a percentage of full market value. The rationale is set out in the Residential Market Paper (Appendix 3), which aligns with policies AFF1 and H5 of the Council's DIPS, aiming to provide genuinely affordable homes that meet the needs of residents.
- 5.16 The policy states that on sites of 10+ dwellings, there is a requirement for 35% affordable housing. These should be split 80% affordable rent and 20% intermediate tenures, although the Council would support alternative mixes to meet local needs.
- 5.17 We have tested our typologies with the 35% affordable housing assumption adopted to test if they are viable with the policy requirement. Where unviable, we have referred to the sensitivity tables to assess at which affordable housing level is a typology viable at.
- 5.18 The transfer values we have assumed are:
- Affordable Rent at 55% of Market Value
 - Other Intermediate at 60% of Market Value

Specialist Housing Typology Assumptions

- 5.19 In addition to general needs housing, we have also appraised the viability of:
- Age Restricted / Sheltered Housing – Brownfield Land
 - Assisted Living / Extra Care – Brownfield Land
- 5.20 Each specialist typology has been modelled with tailored assumptions around unit size, build cost, revenue, and management arrangements.

Older Persons Accommodation Typology Assumptions

- 5.21 Although the volume of private retirement living schemes on the Island is currently limited, the national trends of an ageing population and increasing care needs, supports the rationale for testing this typology.
- 5.22 We have established the following typologies and assumptions for capital values and unit typologies for Sheltered/ Age Exclusive/ Retirement Housing:

Table 5.5 – Older Persons Accommodation Typology Assumptions

No. of Beds	Unit Size (sqm)	Unit Price (£)	Price (£ psm)
1-bed – Age Restricted / Sheltered Housing	50	£255,000	£5,100
2-bed - Age Restricted / Sheltered Housing	75	£330,000	£4,400
1-Bed – Extra Care	60	£318,750	£5,312
2-Bed – Extra Care	80	£412,500	£5,156

Source: AspinallVerdi

- 5.23 We have also assumed that the age restricted / sheltered housing units will have an 85% net to gross ratio (non-chargeable communal space) and extra care units will have a 75% net to gross ratio.
- 5.24 The leakage costs to be applied per unit are based on:
- £1,500 pa for Council Tax
 - £3,000 pa Service Charge for Age Restricted / Sheltered Housing
 - £8,000 pa Service Charge for Extra Care
 - 50% of the sales period

Residential Cost Assumptions

- 5.25 The development costs adopted within our appraisals are evidenced (where necessary) and set out below.

Table 5.6 – Residential Cost Assumptions

Item	Baseline Assumption	Comments
Statutory Planning Fees	-	Based on national formula.
Planning Application	-	Allowance for typology, 3x statutory planning fees for larger schemes; 4 x

Professional Fees and Reports		statutory planning fees for medium scale schemes and 5 x statutory planning fees for small schemes to reflect quantum economies.
S106	£6,600 per unit	<p>For the purposes of this report, we have used consolidated S106 contributions as an input in our appraisal.</p> <p>This is generally inclusive of transport infrastructure, ecological / environmental mitigation, education and health infrastructure, coastal and flood risk reduction (including water management), digital infrastructure, open space, public realm provision, community and sports infrastructure/ facilities, health contributions etc.</p>
Site Clearance, Demolition & Remediation	£110,000 per hectare (£44,51 per acre)	<p>Allowance for brownfield typologies based on HCA Guidance on demolition and remediation.</p> <p>Strictly speaking, abnormal costs should be deducted from the price paid for the land i.e. land which requires the demolition of a former use, is less valuable than cleared land. However, we include an allowance here to reflect the fact that '<i>the polluter does not always pay</i>' in the real world, and therefore this acts as an additional level of contingency/buffer.</p>
Estate Housing Build Costs	<p>Typologies of <50 dwellings - £1,797 per square metre (psm) (median BCIS – rebased to Isle of Wight Q3 2025)</p> <p>Typologies of >50 dwellings - £1,510 psm (lower quartile BCIS rebased to Isle of Wight Q3 2025)</p>	<p>For schemes <50 units, we apply Median BCIS.</p> <p>For sites >50 units, we apply Lower Quartile rate, on the basis that these are more likely to be delivered by larger housebuilders who benefit from economies of scale.</p> <p>This approach aligns with the Government's <i>Planning Reform Working Paper: Reforming Site Thresholds</i> (May 2025), which introduces a new 'medium site' category for schemes of 10–49 homes; separating them from 'major' developments of 50+ units.</p> <p>This reflects policy recognition that larger sites are fundamentally different in terms</p>

		of risk, delivery models, and the potential for cost efficiencies."
Flats / Older Persons Housing Build Costs	<p>Typologies of <50 dwellings - £2,029 per square metre (psm) (median BCIS – rebased to Isle of Wight Q3 2025)</p> <p>Typologies of >50 dwellings - £1,685 psm (lower quartile BCIS rebased to Isle of Wight Q3 2025)</p>	As above. This is also adopted on the Older Persons Housing typologies.
Biodiversity Net Gain	<p>£287 per dwelling (brownfield)</p> <p>£1,011 per dwelling (greenfield)</p>	DEFRA Biodiversity net gain and local nature recovery strategies Impact Assessment (15/10/2019) (Reference No: RPC-4277(1)-DEFRA-EA).
Empty Property Costs	<p>£1,500 pa per unit for Council Tax</p> <p>£3,000 pa per unit for Service Charge</p>	Older persons accommodation only.
External Works	<p>5% - Residential Flatted schemes</p> <p>10% - Smaller residential sites (<50 dwellings)</p> <p>15% - Larger residential sites (>50 dwellings)</p>	<p>For the purposes of our appraisal, we consider the 15% assumption for large sites is a more than sufficient allowance for a plan wide study (given we have included 3% contingency).</p> <p>This externals allowance includes generic 'on-plot' costs including inter alia: estate roads, pavements, street-lights, utilities, drainage etc.</p>
Contingency	<p>Greenfield 3%</p> <p>Brownfield 5%</p>	Higher contingencies are sometimes included in site specific appraisals, but these are generally for specific abnormal costs or ground conditions which are not part of a high-level plan wide viability assessment.
FHS / Part L	<p>£5,000 per House</p> <p>£2,260 per Flat</p>	This is based on the Future Homes Standards - MHCLG Consultation on changes to Parts L and F of the Building Regulations. Note that as time goes by, these costs will become (more) embedded in the BCIS Costs and so additional cost

		<p>allowances will not be required to the same extent.</p> <p>This is especially the case given the rapidly changing politics, policy development, building technology development, energy costs and price/value premium for low energy homes.</p> <p>There is an emerging body of evidence that premium values can be achieved for low energy homes (which we have not taken into consideration in the values above).</p> <p>We have also provided a sensitivity by testing the implication of a £10,000 per dwelling cost in order to achieve net zero standards in line with LGA research undertaken for IOW Council.</p>
Water Efficiency	£9 per dwelling	This is based Communities and Local Government Housing Standards Review Cost Impact September 2014 by EC Harris.
Professional Fees	8%	These are construction related professional fees as opposed to the 'Planning Application Professional Fees and Reports' professional fees included above at the feasibility stage.
Disposal Costs	1.5% - Marketing & Disposal 1.5% - Sale Agents 0.5% - Sale Legal Fees £10,000 – AH Legal Fees	Note that the marketing and promotion costs have to be considered 'in-the-round' with the sales values and gross profit (where developers have internal sales functions).
Finance	7% interest rate	Applies to 100% of cashflow to include Finance Fees etc.

Source: AspinallVerdi

Profit Assumptions

- 5.26 We have adopted a baseline profit of 20% on the Gross Development Value of the open market sale housing (OMS) - with a sensitivity analysis which shows the impact of profit between 15 - 20%. This is consistent with the NPPG (May 2019) which refers to profit of 15 - 20%³⁸ being 'considered a suitable return to developers in order to

³⁸ Paragraph: 018 Reference ID: 10-018-201 90509, Revision date: 09 05 2019

establish the viability of plan policies.’ This is unchanged from our previous Isle of Wight reports.

- 5.27 However, it is important to note that our baseline assumption of 20% profit is at the top end of the range and we have included sensitivities down to 15% profit within the appraisals. We consider this to be a generous margin and allows for ‘buffer’ in addition to the contingency allowance (3% - 5% included). At the site-specific stage, the profit level will need to be informed by the characteristics of that scheme.
- 5.28 For the affordable tenure types, we have used 6% profit on value (where applicable). This is considered to be an industry accepted standard and the PPG states a lower percentage than 15 - 20% is more appropriate for affordable housing as it carries less risk when there is a guaranteed, known end value³⁹.

Land Value Assumptions

- 5.29 The Land Market paper (see Appendix 4) sets out our approach and analysis of available evidence. Within this section we outline the key assumptions around residential land values. Land value is one of the key variables (together with profit) which determines the viability and deliverability or otherwise of a scheme. Our Benchmark Land Value assumptions are set out on the next page (see **Error! Reference source not found.**).
- 5.30 It is important to reiterate that this is an area-wide study and thus the purpose of our research is to establish a suitable Benchmark Land Value for the respective typologies of development to be appraised, utilising both existing use and market values for residential land (whether greenfield or brownfield). These are the benchmark values that we would assume for the purpose of our hypothetical viability appraisals, and they act as the benchmark to test the RLV’s of schemes to determine whether sites would come forward for development.
- 5.31 Note that EUVs for brownfield sites are sensitive to the particular use (i.e. the EUV could be lower if the site is not in an existing lawful use for industrial / commercial) and any legacy costs of contamination, site remediation and demolition should be taken into consideration.
- 5.32 These BLVs are for CIL/Local Plan making purposes only. This should be read in conjunction with this Viability Report and the caveats herein. No responsibility is accepted to any party in respect of the whole or any part of its contents. The land value for site specific viability appraisals should be thoroughly evidenced having regard to the existing use value of the particular site (as is best practice in the PPG).

³⁹ Paragraph: 018 Reference ID: 10-018-20190509, Revision date: 09 05 2019

Table 5.7 – Benchmark Land Value Assumptions

Typology	Location	Greenfield /Brownfield	EUV -					Uplift Multiplier x [X] x [Y]%	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net developable) (rounded)	(per ha) (net developable)
Smaller Residential (<10 units)	Lower Value Area	Greenfield	£8,000	£19,768	100%	£8,000	£19,768	13.8	£110,000	£271,810
Smaller Residential (11-50 units)	Lower Value Area	Greenfield	£8,000	£19,768	75%	£10,667	£26,357	11.7	£125,000	£308,875
Smaller Residential (11-50 units)	Higher Value Area	Greenfield	£8,000	£19,768	75%	£10,667	£26,357	17.3	£185,000	£457,135
Larger Residential (51-200 units)	Lower Value Area	Greenfield	£8,000	£19,768	65%	£12,308	£30,412	11.8	£145,000	£358,295
Larger Residential (51-200 units)	Higher Value Area	Greenfield	£8,000	£19,768	65%	£12,308	£30,412	18.3	£225,000	£555,975
Strategic Sites	Lower Value Area	Mixed	£8,000	£19,768	50%	£16,000	£39,536	13.4	£215,000	£531,265
Smaller Residential (<10 units)	Lower Value Area	Brownfield	£90,000	£222,390	100%	£90,000	£222,390	11.1%	£100,000	£247,100
Smaller Residential (11-50 units)	Lower Value Area	Brownfield	£90,000	£222,390	80%	£112,500	£277,988	11.1%	£125,000	£308,875
Smaller Residential (11-50 units)	Higher Value Area	Brownfield	£100,000	£247,100	80%	£125,000	£308,875	20.0%	£150,000	£370,650
Larger Residential (51-200 units)	Lower Value Area	Brownfield	£90,000	£222,390	75%	£120,000	£296,520	12.5%	£135,000	£333,585
Larger Residential (51-200 units)	Higher Value Area	Brownfield	£100,000	£247,100	75%	£133,333	£329,467	20.0%	£160,000	£395,360
Rural Exception Sites	Island Wide	Greenfield	£10,000 per plot							
The above values are for Plan-making purposes only. This table should be read in conjunction with our Financial Viability Assessment Report and the caveats therein. No responsibility is accepted to any other party in respect of the whole or any part of its contents.										

Source: AspinallVerdi (“250702 Assumptions Evidence Base_V3”)

6 Viability Appraisal Results

- 6.1 We set out below the results of our viability appraisals for the residential typologies across the 3 market areas.
- 6.2 For ease of reference, the results are batched by market area and greenfield/brownfield typologies and follow our typologies matrix. We enclose a summary table for each batch of appraisals for comparison. Where necessary, we provide comment on any nuances in the results.
- 6.3 The residential appraisals are appended in full at Appendix 6. These include a summary table at the end of each batch of appraisals (by grouping as described below).
- 6.4 We have tested 12 typologies and these are set out in the table below:

Lower Value Area

- 6.5 In the lower value area, we have appraised 12 typologies (A – L) which are summarised in following two tables.

Table 6.1 – Appraisal Summary of Typologies A-F (Lower Value Areas)

Appraisal Ref:	A	B	C	D	E	F
No Units:	10	10	20	20	50	50
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield	Greenfield	Brownfield
Notes/Comments:	Median BCIS : 35% AH - Adjacent to Rural Service Centre	Median BCIS : 35% AH	Median BCIS : 35% AH	Median BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH
Total GDV (£)	2,677,320	2,677,320	5,354,640	5,354,640	11,695,700	11,695,700
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.41%	17.41%	17.41%	17.41%	17.39%	17.39%
Developers Profit (% on costs)	20.88%	20.40%	20.93%	20.46%	21.38%	20.74%
Developers Profit Total (£)	466,217	466,217	932,434	932,434	2,033,527	2,033,527
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	(22,324)	(120,423)	(16,733)	(109,237)	33,615	(46,504)
RLV (£/ha (net))	(55,163)	(297,565)	(41,346)	(269,926)	83,064	(114,911)
RLV (% of GDV)	-0.82%	-2.78%	-0.62%	-2.52%	1.18%	-1.23%
RLV Total (£)	(22,065)	(74,391)	(33,077)	(134,963)	138,439	(143,639)
BLV (£/acre (net))	110,000	100,000	125,000	125,000	125,000	125,000
BLV (£/ha (net))	271,810	247,100	308,875	308,875	308,875	308,875
BLV Total (£)	108,724	61,775	247,100	154,438	514,792	386,094
Surplus/Deficit (£/acre) [RLV-BLV]	(132,324)	(220,423)	(141,733)	(234,237)	(91,385)	(171,504)
Surplus/Deficit (£/ha)	(326,973)	(544,665)	(350,221)	(578,801)	(225,811)	(423,786)
Surplus/Deficit Total (£)	(130,789)	(136,166)	(280,177)	(289,400)	(376,352)	(529,733)
Viability	Not Viable	Not Viable	Not Viable	Not Viable	Marginal	Not Viable

Source: AspinallVerdi ("250911_Isle of Wight Residential Appraisal_A_F_v0.2")

Table 6.2 - Appraisal Summary of Typologies G - L (Lower Value Areas)

Appraisal Ref:	G	H	I	J	K	L
No Units:	100	100	200	200	500	1200
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield	Greenfield	Mixed (GF/BF)
Notes/Comments:	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH
Total GDV (£)	23,391,400	23,391,400	46,582,880	46,582,880	116,457,200	279,497,280
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.39%	17.39%	17.44%	17.44%	17.44%	17.44%
Developers Profit (% on costs)	21.74%	21.09%	21.66%	20.73%	21.82%	20.92%
Developers Profit Total (£)	4,067,054	4,067,054	8,122,113	8,122,113	20,305,282	48,732,677
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	76,664	7,353	59,921	(50,384)	76,606	(33,469)
RLV (£/ha (net))	189,437	18,170	148,065	(124,498)	189,294	(82,703)
RLV (% of GDV)	2.31%	0.17%	1.82%	-1.53%	2.32%	-0.79%
RLV Total (£)	541,248	40,378	846,085	(711,418)	2,704,198	(2,205,403)
BLV (£/acre (net))	145,000	135,000	145,000	135,000	145,000	135,000
BLV (£/ha (net))	358,295	333,585	358,295	333,585	358,295	333,585
BLV Total (£)	1,023,700	741,300	2,047,400	1,906,200	5,118,500	8,895,600
Surplus/Deficit (£/acre) [RLV-BLV]	(68,336)	(127,647)	(85,079)	(185,384)	(68,394)	(168,469)
Surplus/Deficit (£/ha)	(168,858)	(315,415)	(210,230)	(458,083)	(169,001)	(416,288)
Surplus/Deficit Total (£)	(482,452)	(700,922)	(1,201,315)	(2,617,618)	(2,414,302)	(11,101,003)
Viability	Marginal	Marginal	Marginal	Not Viable	Marginal	Not Viable

Source: AspinallVerdi ("250911_Isle of Wight Residential Appraisal_G_L_v0.2")

- 6.6 All of the tested typologies in the lower value area have been shown to either be marginal or unviable with 35% affordable housing and £6,600 per unit S106 costs.**
- 6.7 All of the greenfield typologies >50-units (E, G & I) are marginal with positive residual land values (RLVs) but a negative balance (RLV – BLV). By contrast, all of the <50-units are fundamentally unviable. This variance is primarily driven by the differing BCIS cost assumptions – lower quartile for > 50-unit schemes and median for <50-unit schemes.
- 6.8 Our sensitivity analysis shows that the 10 - 20-unit typologies (A, B, C and D) would only be viable with the full policy compliant (£6,600 per unit) S106 costs, if affordable housing was dropped to 15%.
- 6.9 Conversely, viability could also be achieved at 20% affordable housing if S106 costs fall to £5,000 per unit.
- 6.10 Under current policy requirements, the 10 – 20-unit typologies would require an increase in sales values of around 10% to be viable.
- 6.11 The **greenfield typologies >50-units** (E, G & I) would be viable with £6,600 per unit S106 costs if affordable housing dropped to 25%.
- 6.12 For viability at policy compliant 35% affordable housing, the s106 cost would need to fall to £1,000 per unit or market values would need to increase by 5%.
- 6.13 For the **brownfield typologies >50-units** (F, H & J), the maximum affordable housing achievable is between 15-20%.
- 6.14 We have also tested a **1,200-unit scheme mixed use** site which is unviable, unless affordable housing requirement is reduced to 20%.
- 6.15 These results have changed since the appraisals were undertaken in 2022 where there was a varied mix of viable, marginal and unviable typologies, and since the 2021 appraisals where all typologies were shown to be viable at 35% affordable housing with the exception of the large 1,200-unit strategic site. The major reason for this shift in viability is due to rising build costs outstripping our assumptions for house price inflation on the island.
- 6.16 Based on these results, there is also little scope for these typologies being able to provide £10,000 per unit for Carbon / Energy Reduction initiatives, unless affordable housing is reduced to 0-5%.
- 6.17 The results of the appraisals also indicate there is an unsurprising difference in the results of greenfield versus brownfield, with greenfield typologies producing superior results. However, given the majority of brownfield land is in public sector control there can be a more flexible approach to certain assumptions such as land value to enable delivery of a policy compliant scheme, if the local authority is willing and able to be flexible. There may also be funding opportunities from other public sector organisations that will assist with viability and deliverability.

Higher Value Area

- 6.18 In the higher value area, we have appraised 6 typologies (M – R) which are summarised in Table 6.3

Table 6.3 - Appraisal Summary of Typologies M -R (Higher Value Areas)

Appraisal Ref:	M	N	O	P	Q	R
No Units:	10	20	25	100	150	250
Location / Value Zone:	Higher	Higher	Higher	Higher	Higher	Higher
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Greenfield	Brownfield	Brownfield
Notes/Comments:	Median BCIS : 35% AH - Adjacent to Rural Service Centre		Median BCIS : 35% AH		Lower Quartile BCIS : 35% AH	
Total GDV (£)	3,133,800	6,267,600	7,834,500	28,676,250	42,864,435	41,946,450
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.42%	17.42%	17.42%	17.42%	17.46%	16.71%
Developers Profit (% on costs)	22.74%	22.36%	23.09%	25.04%	24.20%	17.29%
Developers Profit Total (£)	545,886	1,091,771	1,364,714	4,996,575	7,485,866	7,007,637
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	172,560	213,117	200,139	458,235	467,693	(2,714,663)
RLV (£/ha (net))	426,395	526,613	494,543	1,132,298	1,155,669	(6,707,931)
RLV (% of GDV)	5.44%	4.20%	6.31%	11.28%	8.99%	-13.33%
RLV Total (£)	170,558	263,306	494,543	3,235,136	3,852,231	(5,589,943)
BLV (£/acre (net))	125,000	150,000	185,000	225,000	160,000	160,000
BLV (£/ha (net))	308,875	370,650	457,135	555,975	395,360	395,360
BLV Total (£)	123,550	185,325	457,135	1,588,500	1,317,867	329,467
Surplus/Deficit (£/acre) [RLV-BLV]	47,560	63,117	15,139	233,235	307,693	(2,874,663)
Surplus/Deficit (£/ha)	117,520	155,963	37,408	576,323	760,309	(7,103,291)
Surplus/Deficit Total (£)	47,008	77,981	37,408	1,646,636	2,534,364	(5,919,409)
Viability	Viable	Viable	Viable	Viable	Viable	Not Viable

Source: AspinallVerdi ("250911_Isle of Wight Residential Appraisal_G_L_v0.2")

- 6.19 All of the tested housing typologies in the higher value area have been shown to be viable with 35% affordable housing and £6,600 per unit S106 costs, except for the flatted typology.
- 6.20 This variance with the lower value zone is largely due to stronger adopted values in the higher value zone. However, our sensitivity analysis shows that the housing typologies with <50-units (M, N & O) would be rendered unviable if build costs increased by 5%.
- 6.21 Based on these results, in order for the <50-unit housing typologies (M, N & O) to be able to provide £10,000 per unit for Carbon / Energy Reduction initiatives, affordable housing would need to be reduced to 25%.
- 6.22 The >50-unit housing typologies (P & Q) have a sufficient viability buffer to withstand a 5% increase in costs. As outlined above, this is due to the lower quartile costs adopted for >50-unit schemes.
- 6.23 These schemes are able to support a £10,000 per unit cost for Carbon / Energy Reduction initiatives, however, this would reduce the surplus for these schemes from between £1.6m - £2.5m to between £90k - £121k. This would make the viability of these typologies susceptible to small increases in build costs and add further challenges to delivery of housing.
- 6.24 The flatted typology (R) is fundamentally unviable with a negative RLV. Even large increases in value, large decreases in build and policy costs do not change viability. The viability of apartments can be challenging given higher construction costs which are not necessarily recouped by the equivalent uplift in revenue. The value is heavily dependent upon the location and quality of development and for the purposes of plan viability, we have adopted a cautious approach. Apartment schemes have been successfully delivered on the Island and our appraisal results do not indicate that apartment development cannot come forward.

Island Wide

6.25 We have also appraised 2 Island Wide typologies which are summarised in Table 6.4.

Table 6.4 - Appraisal Summary of Typologies S-T (Island Wide)

Appraisal Ref:	S	T
No Units:	35	8
Location / Value Zone:	Island Wide	Higher
Greenfield/Brownfield:	Brownfield	Greenfield
Notes/Comments:	Median BCIS : 35% AH - Flatted Scheme	Median BCIS : 100% AH - Rural Exception Site
Total GDV (£)	6,518,428	1,775,402
Policy Assumptions	-	-
AH Target % (& mix):	35%	100%
Site Specific S106 (£ per unit)	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600
Profit KPI's	-	-
Developers Profit (% on OMS)	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%
Developers Profit (% blended)	16.94%	6.00%
Developers Profit (% on costs)	7.43%	4.92%
Developers Profit Total (£)	1,103,909	79,224
Land Value KPI's	-	-
RLV (£/acre (net))	(8,184,846)	101,175
RLV (£/ha (net))	(20,224,754)	250,003
RLV (% of GDV)	-144.79%	6.06%
RLV Total (£)	(9,438,219)	80,001
BLV (£/acre (net))	150,000	101,174
BLV (£/ha (net))	370,650	250,000
BLV Total (£)	172,970	80,000
Surplus/Deficit (£/acre) [RLV-BLV]	(8,334,846)	1
Surplus/Deficit (£/ha)	(20,595,404)	3
Surplus/Deficit Total (£)	(9,611,189)	1
Viability	Not Viable	Viable - with grant

Source: AspinallVerdi ("250911_Isle of Wight Residential Appraisal_S_T_v0.2")

- 6.26 In terms of the 'Island Wide' typologies, the smaller apartment typology (S) is also unviable, demonstrating the viability challenge of apartment schemes on the island.
- 6.27 Typologies M is a Rural Exception Sites. In our 2022 appraisal, this typology was viable on the basis of receiving £25,249 per unit grant. Based on our updated

appraisal, this typology would be viable with an increased grant ask of £56,875 per unit.

Retirement Housing

- 6.28 We have also appraised 4 retirement typologies which are summarised in Table 6.5. These are assumed to be Island Wide.

Table 6.5 - Appraisal Summary of Typologies V - Y (Retirement Housing)

Appraisal Ref:	V	W	X	Y
No Units:	50	50	50	50
Location / Value Zone:	Island Wide	Island Wide	Island Wide	Island Wide
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield
Notes/Comments:	Lower Quartile BCIS : 35% AH - Sheltered Housing	Lower Quartile BCIS : 35% AH - Sheltered Housing	Lower Quartile BCIS : 35% AH - Extra Care	Lower Quartile BCIS : 35% AH - Extra Care
Total GDV (£)	9,489,840	9,489,840	11,638,540	11,638,540
Policy Assumptions	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	16.90%	16.90%	16.90%	16.90%
Developers Profit (% on costs)	14.04%	12.38%	20.17%	19.73%
Developers Profit Total (£)	1,603,605	1,603,605	1,966,852	1,966,852
Land Value KPI's	-	-	-	-
RLV (£/acre (net))	(2,147,764)	(3,078,469)	(47,021)	(180,049)
RLV (£/ha (net))	(5,307,124)	(7,606,896)	(116,190)	(444,901)
RLV (% of GDV)	-37.28%	-53.44%	-0.67%	-2.55%
RLV Total (£)	(3,538,083)	(5,071,264)	(77,460)	(296,600)
BLV (£/acre (net))	150,000	150,000	150,000	150,000
BLV (£/ha (net))	370,650	370,650	370,650	370,650
BLV Total (£)	247,100	247,100	247,100	247,100
Surplus/Deficit (£/acre) [RLV-BLV]	(2,297,764)	(3,228,469)	(197,021)	(330,049)
Surplus/Deficit (£/ha)	(5,677,774)	(7,977,546)	(486,840)	(815,551)
Surplus/Deficit Total (£)	(3,785,183)	(5,318,364)	(324,560)	(543,700)
Viability	Not Viable	Not Viable	Not Viable	Not Viable

Source: AspinallVerdi ("251007_Isle of Wight Retirement Appraisals_V_Y_v0.2")

- 6.29 All of the tested retirement typologies in the lower value area are fundamentally unviable with 35% affordable housing and £6,600 per unit S106 costs.
- 6.30 The Sheltered Housing typologies (V & W) are unable to support even 5% or £0 additional S106 contributions. Values would need to increase by 20% and costs by 15% for the scheme to be policy compliant viable.

- 6.31 The greenfield Extra Care typology (X) would be viable with £6,600 per unit S106 costs if affordable housing was reduced to 20%. If values increased by 5%, this would also make the scheme policy compliant viable.
- 6.32 The brownfield Extra Care typology (Y) would be viable with £6,600 per unit S106 costs if affordable housing was reduced to 10%. If values increased by 10%, this would also make the scheme policy compliant viable.
- 6.33 This demonstrates the fundamentally challenging nature of retirement housing on the Island, which face similar issues as general market flats. This is despite adopting lower quartile BCIS costs.
- 6.34 As stated regarding general flatted schemes, the value is heavily dependent upon the location and quality of development. Apartment schemes have been successfully delivered on the Island and our appraisal results do not indicate that retirement development cannot come forward.

Summary of Appraisal Results

- 6.35 Table 6.6 provides a summary of the updated financial appraisal results tested on the basis of 35% affordable housing.

Table 6.6 – Financial Appraisals Summary – 35% Affordable Housing

Ref	#Units	Typology	% Affordable	Result
A	10	Lower Value Zone – Greenfield Sites / Adjacent to Rural Service Centres	35%	Unviable
B	10	Lower Value Zone - Brownfield	35%	Unviable
C	20	Lower Value Zone - Greenfield	35%	Unviable
D	20	Lower Value Zone - Brownfield	35%	Unviable
E	50	Lower Value Zone - Greenfield	35%	Marginal
F	50	Lower Value Zone - Brownfield	35%	Unviable
G	100	Lower Value Zone - Greenfield	35%	Marginal
H	100	Lower Value Zone - Brownfield	35%	Marginal
I	200	Lower Value Zone - Greenfield	35%	Marginal
J	200	Lower Value Zone - Brownfield	35%	Unviable
K	500	Lower Value Zone - Greenfield	35%	Marginal
L	1,200	Lower Value Zone – Mixed (GF / BF)	35%	Unviable
M	10	Higher Value Zone - Greenfield Sites / Adjacent to Rural Service Centres	35%	Viable

Ref	#Units	Typology	% Affordable	Result
N	20	Higher Value Zone - Brownfield	35%	Viable
O	25	Higher Value Zone - Greenfield	35%	Viable
P	100	Higher Value Zone - Greenfield	35%	Viable
Q	150	Higher Value Zone - Brownfield	35%	Viable
R	250	Higher Value Zone – Brownfield (Apartments)	35%	Unviable
S	35	Island Wide – Brownfield (Apartments)	35%	Unviable
T	8	Island Wide – Greenfield Rural Exception Site	100%	Viable (with grant)
V	50	Island Wide – Greenfield Sheltered Housing	35%	Unviable
W	50	Island Wide - Brownfield Sheltered Housing	35%	Unviable
X	50	Island Wide – Greenfield Extra-Care Housing	35%	Unviable
Y	50	Island Wide – Brownfield Extra-Care Housing	35%	Unviable

Source: AspinallVerdi

- 6.36 We have also provided in Table 6.7 below a summary of what the maximum level of affordable housing the typologies are viable at, based on our appraisals and sensitivity analyses.

Table 6.7 –Appraisals Summary – Maximum Affordable Housing Achievable %

Ref	#Units	Typology	Maximum % Affordable	Result
A	10	Lower Value Zone – Greenfield Sites / Adjacent to Rural Service Centres	15%	Viable
B	10	Lower Value Zone - Brownfield	15%	Viable
C	20	Lower Value Zone - Greenfield	15%	Viable
D	20	Lower Value Zone - Brownfield	15%	Viable
E	50	Lower Value Zone - Greenfield	20%	Viable
F	50	Lower Value Zone - Brownfield	15%	Viable
G	100	Lower Value Zone - Greenfield	25%	Viable

Ref	#Units	Typology	Maximum % Affordable	Result
H	100	Lower Value Zone - Brownfield	20%	Viable
I	200	Lower Value Zone - Greenfield	25%	Viable
J	200	Lower Value Zone - Brownfield	15%	Viable
K	500	Lower Value Zone - Greenfield	25%	Viable
L	1,200	Lower Value Zone – Mixed (GF / BF)	20%	Viable
M	10	Higher Value Zone - Greenfield Sites / Adjacent to Rural Service Centres	35%	Viable
N	20	Higher Value Zone - Brownfield	35%	Viable
O	25	Higher Value Zone - Greenfield	35%	Viable
P	100	Higher Value Zone - Greenfield	50%	Viable
Q	150	Higher Value Zone - Brownfield	50%	Viable
R	250	Higher Value Zone – Brownfield (Apartments)	0%	Unviable
S	35	Island Wide – Brownfield (Apartments)	0%	Unviable
T	8	Island Wide – Greenfield Rural Exception Site	100%	Viable (with grant)
V	50	Island Wide – Greenfield Sheltered Housing	0%	Unviable
W	50	Island Wide - Brownfield Sheltered Housing	0%	Unviable
X	50	Island Wide – Greenfield Extra-Care Housing	0%	Unviable
Y	50	Island Wide – Brownfield Extra-Care Housing	0%	Unviable

7 Conclusions and Recommendations

- 7.1 Based on the assumptions set out in this report and the financial appraisals appended, we can state that the Draft Island Planning Strategy is not consistently viable on the basis of 35% affordable housing in line with draft IPS policies AFF1 and H5.
- 7.2 This is particularly the case with the Lower Value Zone, the brownfield regeneration sites in urban areas / Higher Value Zone and the retirement schemes, where further costs can affect viability. Typologies including apartments were less viable and wholly apartment-led schemes were unviable. This does not mean apartment schemes are not deliverable on the Island because there are examples of new-build schemes being delivered.
- 7.3 As we have covered in our market report, there is a premium for apartments in waterfront locations and some sites will lend themselves to this typology. However, we would recommend that the Council takes a flexible approach to affordable housing policy (in relation to the tenure and mix of onsite affordable housing) on such sites to enable regeneration to take place on brownfield land in urban locations.
- 7.4 These findings reflect a market that remains in a transitional phase. Although there has not been a large level of activity since 2022, there are emerging signs of stabilisation as inflationary pressures ease and interest rates begin to fall. This may gradually improve viability over a longer plan period; however, at present, the cumulative policy burden continues to constrain deliverability in several typologies and the council, as required by the Planning Inspectors, is focusing on the first 5 years of the plan period with a new local plan under the revised plan-making system to follow post adoption.
- 7.5 It is important that the Council retains flexibility in applying affordable housing and infrastructure requirements, particularly on brownfield, apartment-led and specialist schemes. This would ensure that regeneration opportunities can still come forward while maintaining an appropriate overall contribution to affordable housing delivery.
- 7.6 In light of current market conditions and the findings of this assessment, we recommend that the Council considers moderating the affordable housing requirement in certain lower-value areas and for higher-cost typologies. Although for example, some >50-unit typologies in the Higher Value Zone can support around 50% affordable housing with £6,600 S106 per unit costs, this would be burdensome for other typologies under <50-units.
- 7.7 A reduced target would improve deliverability (essential over the short term plan period) while ensuring the Plan remains consistent with national policy. This approach would also respond directly to the Inspectors' post-hearing comments, ensuring that the Plan is demonstrably deliverable across all value zones.
- 7.8 To able to provide £10,000 per unit for Carbon / Energy Reduction initiatives further reductions in affordable housing delivery would be required. In the Low Value Zone this would require a reduction to 0-5% affordable housing.
- 7.9 In the Higher Value Zone, smaller schemes (<50 units) cannot afford Carbon/Energy Reduction initiatives without a reduction to 25% affordable housing. Larger schemes (>50 units) could afford to deliver Carbon/Energy Reduction initiatives whilst delivering 35% affordable housing, however would be more sensitive to minor adjustments in other economic factors, e.g a small % rise in build costs.

7.10 The Island Wide Typologies cannot afford to deliver Carbon/Energy Reduction initiatives. Our policy recommendations are as follows:

Typology / Value Zone	Greenfield / Brownfield	Recommendation	Comment
Lower Value Zone	Greenfield	20% AH for <50-units 25% AH for >50-units	15% reduction recommended. Although 20-unit typology is marginal at this level.
Lower Value Zone	Brownfield	15% AH	20% reduction recommended.
Higher Value Zone	Both	35% AH	No reduction recommended.
Island Wide – Retirement Housing	Both	0%	No AH recommended as this development type is fundamentally unviable.

Appendix 1 – Policies Matrix

All draft policy included in the table below has been taken from the Draft Island Planning Strategy (October 2024) shared by James Brewer following our inception meeting.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
AFF1	High	This policy introduces a locally specific definition of affordable housing, with discount levels varying by unit size (up to 70% of market value for 1–2 beds, 65% for 3 beds, and 60% for 4+ beds, or the local housing allowance—whichever is lower). It also introduces a requirement for new affordable homes to meet the M4(2) accessible and adaptable standard.	The policy requires all new build housing to be built to M4(2) standards. These are now part of Building Regulations and as such, we have assumed them to be embedded within our updated BCIS cost allowance. Following the recent hearing the Inspectors Letter to the Council, we have revisited our transfer value assumptions to adopt appropriate discounts subject to tenure and cross-checked with market evidence.
INF1	Medium	This policy seeks to ensure that development makes appropriate physical and/or financial contributions to support the delivery or upgrade of infrastructure across the island. Specific infrastructure requirements will be informed by the Infrastructure Delivery Plan (IDP). As such, costs arising from this policy will vary by site and are not fixed.	Any required contributions should be assessed through site-specific appraisals and planning negotiations.
G 1 - Our Approach Towards Sustainable Development and Growth	Low	Policy seeks to encourage highest possible design quality and meet housing need through range of allocated sites, focusing on smaller / medium sized developments complemented by large allocation at HMP Isle of Wight.	Our development appraisals are based on index linked BCIS median build costs, adjusted for the Island. These costs are sufficient to reflect design quality set out in this policy. Any design requirements for site specific mitigation are considered an abnormal cost and will need to be reflected in reduced land value.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
			We have also analysed the land allocations to ensure our development typologies appraised reflect the sites coming forward.
G 2 – Priority Locations for Development and Growth	Low	<p>This policy prioritises development within settlement boundaries of the primary and secondary settlements as well as rural service centres:</p> <ul style="list-style-type: none"> • Primary - Cowes, East Cowes, Newport, The Bay and Ryde • Secondary - Bembridge, West Wight, Wootton and Ventnor • Rural Service Centres – Arreton, Brading, Brighstone, Godshell, Niton, Rookley, St Helens, Wroxall and Yarmouth <p>Policy states that non-allocated sites coming forward will have to deliver all policy requirements and be located within settlement boundaries (as above), contribute to need, and make use as much as possible of previously developed land.</p>	Based on the allocations in the draft Plan, we have used a range of scenarios and sites of different scales and density to ensure the type of growth identified is reflected in the viability testing – this includes greenfield and brownfield typologies across the settlement hierarchy.
G3 – Developer Contributions	High	The policy explains that the Council will seek developer contributions for affordable housing, transport infrastructure, ecological / environmental mitigation (compensation including, but not restricted to, the Solent Special Protection Area (SPA) Solent Recreation Mitigation Strategy,	We have adopted a cost of £6,000 per dwelling within our models to reflect these policy requirements and have undertaken a sensitivity analysis to understand the margin for viability if the contributions were expected to be more or less.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		demonstration of nitrogen neutrality and Biodiversity Net Gain of at least 10%), education and health infrastructure, coastal and flood risk reduction (including water management), digital infrastructure, open space and/ or SANGs, cultural, public realm provision, community and sports infrastructure/ facilities.	<p>We've included an additional allowance for potential health contributions (£600), as set out in the adopted Health Contributions SPD (May 2024). This is on top of the existing allowance of £6,000. The adopted cost for these typologies is £6,600 per dwelling.</p> <p>We understand from the Island Planning Strategy Regulation 19 Submission (July 2024), that: <i>"The requirement for and size of SANGs per person or development will be considered on a site by site basis. The council encourage the use of Natural England's Discretionary Advice Service for developments of over 75 dwellings to ascertain whether SANG is required."</i></p> <p>At this stage, we have not included a cost for SANGs in our appraisal, as we consider this to be addressed at a site-specific level.</p>
G 4 – Managing Viability	Low	<p>The policy states that if a viability assessment demonstrates a proposal cannot meet the requirements of the plan, the Council would work with applicant to understand whether any of the following approaches would be appropriate to facilitate delivery of the site:</p> <ul style="list-style-type: none"> • Securing public subsidy • Flexibility in affordable housing tenure, type and size mix • Changes to the density of the proposal 	<p>We have assessed typologies assuming full policy compliance with on-site delivery. This is a policy that provides the Council with some flexibility should a site-specific viability assessment be submitted. It is not considered a policy that requires addressing through the plan viability study, however, our sensitivity tables on density for example or Section 106 illustrate how the policy could be used.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		<ul style="list-style-type: none"> • Re-phasing the proposal • Deferment of the delivery of the plan requirements • Reducing the policy requirements <p>The policy states the Council would refuse applications if none of the above are considered appropriate.</p>	
G 5 – Ensuring Planning Permissions are Delivered	Low	This policy requires major development proposals to provide a delivery timetable and masterplan to provide certainty of delivery. The policy indicates that the Council will impose a planning condition or legal agreement requiring development to be delivered in line with delivery timetable.	The cost for meeting the expectations of this policy would be covered in the professional fees allowance. The financial appraisals have been based upon build and sales rates from market research and our professional experience.
H 1 – Planning for Housing Delivery	Low	<p>The policy seeks to deliver 6,428 net additional dwellings over plan period from:</p> <ul style="list-style-type: none"> • 2,146 dwelling from large sites with planning permission • 2,982 dwellings from sites allocated in policy • 1,300 dwellings from windfall sites 	Our viability testing is based on typologies of development informed by the proposed site allocations in the draft Plan – therefore reflecting the proposed housing growth.
H 2 – Sites Allocated for Housing	Low	Policy relates to sites allocated for housing or residential-led mixed use development. It requires proposals for these sites to demonstrate how they will be phased in according with DHWN 3 and	As stated above, our viability testing is based on typologies of development informed by the proposed site allocations in the

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		other requirements in the plan. It states that the number of houses deliverable will be determined through the planning application process.	draft Plan – therefore reflect of the proposed housing growth. This policy does not impact the viability of the plan.
KPS 1 – Key Priority Site 1: HA39 Camp Hill	High	This policy relates to a strategic site and sets out the specific requirements of the development including: at least 750 dwellings with 35% affordable housing and a mix / size of housing in compliance with H5 and H8. There are requirements in terms of land for commercial and community uses as well as necessary site infrastructure. The policy requires a masterplan to address sustainable development issues.	This policy places specific requirements upon the site and we have appraised a strategic site typology to reflect this. We would recommend engaging with the landowner / promoter / developer up front before plan adoption to ensure the viability modelling reflects the known infrastructure requirements but also appraisal inputs in terms of land value. We understand a statement of common ground has been prepared with the landowner at this stage.
KPS 2 – Key Priority Site 2: HA44 Newport Harbour	High	This policy relates to a strategic site and sets out the specific requirements of the development including: at least 250 dwellings with 35% affordable housing and a mix / size of housing in compliance with H5 and H8. There are requirements in terms of land for commercial and community uses as well as necessary site infrastructure. The policy requires a masterplan to address sustainable development issues.	<p>This policy places specific requirements upon the site and we have appraised a strategic site typology to reflect this. The site boundary has been reduced since our last assessment, and the typology is now expected to be brownfield flatted development. We have appraised this key site in light of the expected changes.</p> <p>We have included a higher value brownfield typology of 250 units to reflect this site.</p> <p>We would recommend engaging with the landowner / promoter / developer up front before plan adoption to ensure the viability modelling reflects the known infrastructure requirements but also appraisal inputs in terms of land value.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
H 3 – Housing Allocations General Requirements	High	<p>Policy requires allocated sites to deliver sustainable, high-quality design which is sensitive to local context – appropriate mix / type of housing, transport / highway improvements / biodiversity net gain of at least 10% / landscaping etc. / protected trees.</p> <p>For sites of 10+ dwellings, specific requirements:</p> <ul style="list-style-type: none"> • Affordable housing in line with H5 • Onsite play and open space or contribution (as required) • Children's services facilities (if required) • Proportionate contributions to off-site junction improvements (if required) <p>Developments of 75+ dwellings may be required to provide any Suitable Alternative Natural Greenspace (SANG) in line with EV3.</p>	<p>We have formulated typologies of development to be appraised based on market evidence and allocations in the plan.</p> <p>We have included a specific cost for achieving biodiversity net gain. An allowance has also been made for other site-specific mitigation (e.g. education or highways) through Section 106. Onsite open space to be provided on the balance of the gross to net area of the site.</p> <p>Affordable housing impacts the Gross Development Value of a development and therefore has a significant impact on viability.</p> <p>The appraisals test the affordable housing requirement and other section 106 contributions to understand their impact on viability. The sensitivity analysis enables changes in these requirements or other appraisal inputs to be understood in relation to viability.</p>
H 4 – Infill Opportunities outside Settlement Boundaries	Low	<p>Policy explains that housing outside and not immediately adjacent the settlement boundaries will be supported where it would be infilling a small gap in a row of houses, or an otherwise built-up frontage.</p>	<p>Any infill development of sites smaller than 10 dwellings will not be subject to affordable housing contributions as per the 2023 NPPF which sets a 10 threshold for seeking affordable contributions, except in designated rural areas. We have tested small (10 unit) greenfield and brownfield site typologies to assess policy implications on the viability of these sites.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
H 5 – Delivering Affordable Housing	High	<p>The policy sets out the Council's affordable housing requirement and tenure split. On sites of 10+ dwellings, there is a 35% affordable housing requirement of which 80% of these should be affordable rent and 20% intermediate tenures.</p> <p>Alternative mixes that meet identified local housing needs will be supported.</p> <p>The requirement for sites of up to a net gain of 9 dwellings within the AONB is anticipated to be via an off-site contribution.</p> <p>All affordable homes secured through the policy should be built in line the accessible and adaptable standard for homes as set out in Part M4(2) of the Building Regulations ('Category 2 homes').</p>	<p>Affordable housing has a direct impact on development viability. On-site affordable housing provision results in a reduced GDV compared to market housing. Any off-site provision is reflected through a cost to the development. The off-site provision will be reflected in a direct cost to the development. An off-site provision, in viability terms, should be the equivalent to delivery on-site i.e. the developer is no better or worse off than delivering on or off-site.</p> <p>Policy requirement for 25% First Homes has been removed, this is reflected within our modelling.</p> <p>Target mix has been revised from 70/30 to 80/20 to provide more rental properties, this has been reflected in our modelling.</p> <p>We have modelled the affordable housing requirements and tenure splits in accordance with policy (on-site), and have also tested variations in discount from market value in order to adopt appropriate transfer values. Our sensitivity tables also show the impact of changes to the overall affordable housing target.</p>
H6 – Housing in the countryside	Low	This policy relates to isolated dwellings in the countryside.	This is not considered to have an impact on plan viability as it relates to single dwellings.
H 7 – Rural and First Homes Exception Sites	High	The rural exception sites policy supports the principle of affordable housing in perpetuity on exception sites. It also states that it will consider small number of market homes where it can be demonstrated they will facilitate the delivery of the scheme.	As these sites require 100% affordable housing, there is a clear impact on viability, because the GDV is effectively capped but build costs are not. However, benchmark land values are adjusted to reflect a lower premium because of the site designation as an exception.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment																				
			<p>We have tested a rural exception site typology, to assess the level of grant required or see if any market housing is required to cross-subsidise the affordable units.</p> <p>The First Homes part of this policy has been removed and therefore we have not included this within our modelling or reporting. This will have a significant negative impact upon viability as other affordable products produce a lower GDV.</p>																				
H 8 – Ensuring the Right Mix of Housing	Medium	<p>Development proposals for 10 or more dwellings should aim to deliver the percentage splits for housing sizes and tenures as set out in the table below, or those within an up-to-date Housing Needs Assessment, or alternatively provide evidence to justify any different approach.</p> <table><tr><th>Tenure</th><th>One bedroom</th><th>Two bedrooms</th><th>Three bedrooms</th><th>four or more bedrooms</th></tr><tr><td>Private</td><td>5%</td><td>30%</td><td>40%</td><td>25%</td></tr><tr><td>Social or affordable rent</td><td>40%</td><td>30%</td><td>25%</td><td>5%</td></tr><tr><td>Low cost home ownership</td><td>20%</td><td>40%</td><td>30%</td><td>10%</td></tr></table> <p>10% of all new market homes to be M4(3) compliant and up to 30% in the affordable sector – look at HNA.</p>	Tenure	One bedroom	Two bedrooms	Three bedrooms	four or more bedrooms	Private	5%	30%	40%	25%	Social or affordable rent	40%	30%	25%	5%	Low cost home ownership	20%	40%	30%	10%	<p>Our testing reflects the dwelling mix set out in the Council’s housing needs assessment and in the Island Planning Strategy July 2024. Dictating the housing mix has a slight impact on viability as some house types will be more economically rewarding than others depending on market demand which is not necessarily the same thing as need.</p> <p>We have allowed £10k per dwelling to cover M4(3) reflecting the required proportions for market and affordable homes.</p>
Tenure	One bedroom	Two bedrooms	Three bedrooms	four or more bedrooms																			
Private	5%	30%	40%	25%																			
Social or affordable rent	40%	30%	25%	5%																			
Low cost home ownership	20%	40%	30%	10%																			
H 9 – New Housing on	Low	The policy supports residential led development in principle on all brownfield sites. It places general requirements upon developments in terms of	Our viability testing is based on typologies of development informed by the proposed site allocations in the Draft Plan – therefore reflect of the proposed housing growth. It is difficult to predict the nature of windfall brownfield sites and the onus will																				

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
Previously Developed Land		meeting need, making efficient use of land and appropriate in terms of scale / built form. Within settlement boundaries, it encourages efficient land use and provision of adequate amenity space. Outside of settlement boundaries, proposals are expected to meet local housing need, respect existing built form and character (or introduce appropriate landscaping where no buildings exist).	be on the applicant to factor in planning policy requirements in their appraisal of the site.
H 10 – Self & Custom Build	Low	The Council will support development proposals that deliver self and custom-built dwellings or serviced plots. Any plots, either individual or as part of a larger development, should be serviced and plot sizes should meet a range of requirements. If there are over 10 self-build plots in a scheme then a design code would be agreed between the Council and developer.	Self-build housing can be delivered in various ways from individual self-builder to larger schemes involving self-build enabling development. All our residential typologies are on the basis that land can be acquired and developed into a new unit (including appropriate allowance for profit). Where self-building involves plot sales and/or part completed units (e.g. foundations, or 'wind and watertight') the working assumption is that the developer's profit is commensurate with the development work undertaken and therefore there is sufficient development surplus to incentivise the self-builder to complete the unit. In terms of the design code, the median build costs, professional fees, and contingency allowances assumed will be sufficient to cover design code requirements.
H 11 – Planning for Gypsy, Traveller and Travelling Show	Low	This policy concerns the provision of transit and permanent pitches for Gypsy, Traveller and Travelling Show people.	All retained and potential new locations may have minor impacts on the viability of developments on adjacent sites. Should viability be reduced in these scenarios then we would expect this to be reflected in a reduced land value on these specific sites.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
People Provision			
E 1 – Supporting and Growing our Economy	Low	<p>This policy allocates land for Class E, B2 and B8 uses. It also supports economic development proposals that result in re-use of previously developed land.</p> <p>Employment site allocations are as follows:</p> <ul style="list-style-type: none"> • 2.8 hectares at Pan Lane, Newport for Class E and B2 uses • 14.7 hectares at Nicholson Road, Ryde for Class E, B2, B8 and community uses • 1.9 hectares at Somerton Farm, Cowes for Class E, B2 and B8 uses • 6.2 hectares at Kingston Marine Park, East Cowes for Class E, B2 & B8 uses • 0.7 hectares at Lowtherville, Ventnor for Class E and B8 uses • 2.9 hectares at Sandown Airport, Sandown for Class E, B2 and B8 uses <p>In addition, the Council support's intensification and/ or expansion of existing employment uses in the following employment opportunity areas:</p>	<p>In our 2018 viability testing we had regard to the viability of employment uses through testing B2/B8 and Class E office development. Our conclusions remain valid.</p> <p>In our latest update we do not propose to update our assessment of employment uses.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		<ul style="list-style-type: none"> Golden Hill Industrial Estate, Freshwater Land at Afton Road, Freshwater Cowes Industrial Estates, Cowes College Close Industrial Estate, Sandown 	
EA 1-EA 7 – Employment Allocations	Low	Detailed policy on proposed employment allocations for Class E, B2 and B8 uses: general requirements from these sites and proposals is to deliver infrastructure i.e. spine roads, flood prevention and other site-specific requirements that carry a cost.	Employment allocations will be serviced through existing infrastructure. Our external works allowance reflects the cost of dealing with internal estate roads junctions to main highway.
E 2 - Sustainable Economic Development	Low	<p>The policy explains that proposals for economic development will be supported where they:</p> <ul style="list-style-type: none"> i. Deliver the strategic employment allocations. ii. Allow for the intensification and/ or expansion of existing industrial estates or employment sites. iii. Result in the re-use of previously developed land and/ or buildings, including agricultural buildings. <p>The Council will support a range of employment development types from small and medium enterprises to larger organisations.</p>	In our 2018 viability testing we had regard to the viability of employment uses through testing B2/B8 and B1 office development. Our conclusions remain valid.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		The policy also seeks to protect the loss of employment land and employment uses.	
E 3 – Upskilling the Island	Low	Support development which improves workforce skills / employability. Development proposals resulting in a net gain of 25+ dwellings or 1,000 sqm of non-residential space must produce an employment and skills plan.	The cost of producing an employment and skills plan is reflected in the professional fees in our appraisal.
E 4 – Supporting the Rural Economy	Low	Council will resist development on best quality agricultural land. It sets out the ways in which the Island's rural economy will be supported - so that it may grow and diversify in a sustainable way to provide long term economic, environmental and social benefits for local communities.	There is no direct impact on the value/cost assumptions in respect of our appraisals. However, by protecting the best quality agricultural land it indicates that sites allocated will be poorer quality and have a lower existing use value than the better-quality land.
E 5 – Maintaining Employment Sites with Water Access	Low	This policy resists the loss of employment sites with water front locations and support new employment that requires waterfront access.	New employment development requiring waterfront access is not considered critical to the development of the plan therefore no specific testing has been undertaken.
E 6 – Future Proofing Digital Infrastructure	Low	This policy seeks to enhance the digital infrastructure on the Island. Digital connectivity to exceed the requirements set out in the building regulations.	The policy is not clear what is required to exceed current building regulations. We consider that developers will also want to deliver this for new schemes as it will aid the marketability of the units. For Local Plan viability purposes, it is considered the cost of delivering broadband would be recouped in the value of the property – therefore, no specific assumptions have been made and it assumed that the allowance for external works in our appraisals will be sufficient to meet these requirements.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
E 7 – Supporting and Improving Our Town Centres	Low	<p>This policy supports proposals which contribute to the diversity, choice, vitality and viability of town centres. It states that new retail development is expected to be located within Town Centre Boundaries.</p> <p>The policy requires that applications for retail development resulting in new retail floor space, or changes of use and variations of condition to remove or amend restriction on how units operate in practice, outside of the Town Centre Boundaries must be submitted with a retail impact assessment based on the following local floorspace thresholds:</p> <ul style="list-style-type: none"> • 750 sqm gross for Newport; • 500 sqm gross for Ryde and Cowes; and • 350 sqm gross for Sandown, Shanklin, Ventnor, Freshwater and East Cowes. <p>The Council supports development proposals that seeks to increase the footfall into the centres in the evenings.</p>	Our 2018 viability testing includes comparison and convenience retail scenarios, the allowance assumed for professional fees will be sufficient to cover the cost of a retail impact assessment. Our conclusions remain valid.
E 8 – Supporting High Quality Tourism	Low	This policy to enable sustainable growth in tourism.	There is no direct impact on the value/cost assumptions in respect of our appraisals.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
E9 Short term let holiday accommodation	Low	The policy confirms that a change of use application will be required where a residential property is used as a short-term holiday let (Sui Generis) for more than 140 days in any calendar year. Such changes of use will only be supported within designated tourist accommodation areas or where there is no adverse impact on neighbouring residential amenity.	This policy is likely to be enforced on a plot by plot basis for individuals or companies who acquire properties at market value to let them as an investment. As this assessment focuses on purely standard residential development there will be no impact on values/ costs in the appraisals.
E 10 – The Bay Area Place Plan and Sandown Bay Tourism Opportunity Area	Low	This policy supports tourism-led development within the Sandown Bay Tourism Opportunity Area, subject to alignment with the Bay Area Place Plan. It introduces potential additional costs for major development proposals, such as financial contributions toward flood mitigation infrastructure.	There is no direct impact on the value/cost assumptions in respect of our appraisals. These site-specific requirements will need to be considered on a case-by-case basis, and are not expected to apply universally across all residential typologies in the viability assessment. Any such costs should be addressed through site-specific viability testing at the planning application stage if required.
E 11 – Ryde Tourism Opportunity Zones	Low	This policy supports the principle of development where it can be demonstrated it contributes to the aspirations of the opportunity zones.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
E 12 – Solent Freeport	Low	This generic policy references the Solent Freeport and potential employment opportunities associated with the status	There is no direct impact on the value/cost assumptions in respect of our appraisals.
T 1 – Supporting Sustainable Transport	Low	This policy promotes active and sustainable travel and encourages development proposals to support infrastructure for walking, cycling, and public transport. While it outlines a range of	There are no specific cost implications associated with this policy and therefore does not have a direct impact on viability.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		potential measures (e.g. cycle routes, bus access, safer school routes), these will be location-specific and delivered through planning obligations.	
T 2 – A Better Connected Island	High	<p>The policy explains that the Council will seek financial contributions towards a number of infrastructure improvements and list the projects as follows:</p> <ul style="list-style-type: none"> • Provision of a new multi-user Newport - West Wight route • Completion of the multi-user Newport - East Cowes route • Improvements to the multi-user Newport - Sandown route • Provision of a new sections of a multi-user Newport - Ryde route • Cycling and walking proposals set out in the Local Cycling & Walking Infrastructure Plan; • Key road junctions in Newport, Ryde and the Bay <p>All development proposals must provide safe and suitable access to a site and not cause a significant adverse impact on the local or strategic road network that cannot be managed or</p>	Our viability assessments have considered the level of developer contributions development can viably deliver to support the Council's infrastructure requirements. Any site-specific mitigations which are not accounted for in S.106 contributions are considered as abnormal costs and will need to be reflected in a reduced land value rather than assumed in our testing.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		mitigated. The creation of new sustainable transport routes will be supported.	
T 3 – Cross-Solent Transport	Low	Policy supports maintaining transport routes and methods across the Solent to the mainland.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
T 4 – Supporting Our Railway Network	Low	This policy recognises the importance of railway infrastructure.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
T 5 – Electric Vehicle Charging Points	High	<p>Policy states that the Council will support and facilitate the introduction of electric charging points, facilities and associated infrastructure in appropriate public places and on previously developed land.</p> <p>Development of community charging infrastructure and facilities should use the Isle of Wight Charge Point Infrastructure Strategy to inform the proposal.</p>	<p>In our scenario testing we have allowed a cost for the provision of new charging point per dwelling.</p> <p>We have assumed these requirements are accounted for within the base BCIS build cost assumptions as EV Charging Points have been in Building Regulations since 2022. It is reasonable to assume that these are now embedded in the latest BCIS indices (in compliance with building regulations).</p>
T6 – Parking Provision in New Development	Low	Policy requirement for all development proposals to provide integrated vehicle and bicycle parking in accordance with the SPD.	The cost of providing parking is captured in our external cost allowance assumed in our appraisal.
C 1 – High Quality Design	Low	This policy sets out a broad range of qualitative design criteria for development proposals, including amenity space, soft landscaping,	Our development appraisals are based on up to date BCIS median build costs, adjusted for the Island. These costs are sufficient to reflect design quality set out in this policy. Any design requirements for site specific mitigation are considered

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
for New Development		<p>accessibility, protection of residential outlook, and crime prevention measures.</p> <p>This policy now references the adopted SuDS SPD, requiring applicants to follow the SuDS hierarchy. However, this reflects good practice already embedded in development design and is not expected to give rise to additional viability costs</p>	<p>an abnormal cost and will need to be reflected in reduced land value.</p> <p>Where any SuDS schemes are particularly complex or abnormal, these should be picked up in site-specific viability testing.</p>
C 2 – Improving Our Public Realm	Low	This policy ensures major development proposals have high quality and well-integrated public realm.	It is assumed that any public realm requirements are captured in our external cost allowance assumed in our appraisal.
C 3 – Improving Our Health and Wellbeing	Low	This policy requires major developments to include a proportionate Health Impact Assessment (HIA), with outcomes integrated into scheme design. The HIA is intended to support healthy communities through open space provision, active travel links, and accessible design.	This has a low impact on viability, it is a standard assumption to incorporate an allowance for 'professional fees' in development appraisals.
C 4 – Health Hub at St Mary's Hospital	Low	<p>Policy relates development of the health hub at St Mary's Hospital. Development to include; extra care village incorporating dementia care, assisted living complex, independent living lodges.</p> <p>Residential development to include key worker, affordable and open market housing.</p>	In our viability testing we have considered elderly accommodation and extra care, with the inclusion of affordable housing.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		The policy also now allows for hotel use as part of the development mix.	
C 5 – Facilitating Independent Living	Medium	Proposals for major residential development will be required to provide at least 20% of the total dwellings for private market sale built to meet Part M4(2) of the Building Regulations to ensure suitability for older people and/ or those with mobility problems.	<p>This policy is not prescriptive on how it will be delivered, typically we see such policy to be included in the “Optional requirement M4(2): Category 2 – Accessible and adaptable dwellings” of the building regulations. Part M4(2): Category 2 requires:</p> <p><i>“An approach route for a Category 2 dwelling should comply with all of the following. a. The approach route is level, gently sloping or, where necessary, ramped. b. Private parts of the approach route have a minimum clear width of 900mm or 750mm where there are localised obstructions. c. Communal parts of the approach route (except communal stairs) have a minimum clear width of 1200mm or 1050mm where there are localised obstructions. d. Any localised obstruction does not occur opposite or close to a doorway, or at a change of direction, and is no longer than 2m in length. e. All external parts of the approach route have a suitable ground surface. f. Every gate (or gateway) along the approach route has both: a minimum clear opening width of 850mm a 300mm nib to the leading edge of the gate.”</i></p> <p>From July 2022, M4(2) has become part of Building Regulations¹ and as such have assumed these requirements will be incorporated within BCIS costs.</p>

¹ [Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK](#)

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
C 6 – Providing Annexe Accommodation	Low	This policy is based on single dwelling extensions.	This policy falls below the threshold for developer contributions and has no impact on viability.
C 7 – Delivering Locality Hubs	Low	Allocations for locality hubs – incorporating leisure, public health and wellbeing support services. One incorporates an element of housing.	There is no direct impact on the value/cost assumptions in respect of our appraisals
C 8 – Facilitating a Blue Light Hub	Low	This policy supports the delivery of a hub for emergency services.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
C 9 – Education Provision	Low	This policy supports the delivery of new, replacement or extended / altered schools where the scale is in keeping with the location and it accords with other local plan policies.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
C 10 – Supporting Renewable Energy and Low Carbon Technologies	Low	<p>Policy in line with the targets and objectives of the Isle of Wight Climate & Environment Strategy supports proposals for:</p> <ul style="list-style-type: none"> • Major developments of renewable energy schemes. • the provision of infrastructure for the connection of projects to electricity and heat networks. • Smart grid infrastructure • Energy storage systems 	There is no direct impact on the value/cost assumptions in respect of our appraisals.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
		<ul style="list-style-type: none"> Energy centres for local communities Community led initiatives. 	
C 11 – Net Zero Carbon and Lowering Energy Consumption in New Development	Medium	The previous draft policy set out detailed requirements around space heating demand, energy use intensity, renewable energy generation and embodied carbon. However, following feedback from the Inspector, the Council has indicated this policy may be deleted or revised to align with national standards.	<p>For the purposes of this Local Plan Viability Assessment, we have included costs associated with compliance with the Future Homes Standard (FHS) only to align with national standards and with FHS being published in Autumn 2025.</p> <p>We have therefore factored in the interim uplift introduced through the 2019 FHS Consultation, specifically the changes to Part L (conservation of fuel and power) of the Building Regulations, which took effect from June 2022².</p> <p>According to estimates from major housebuilders and MHCLG, the cost of complying with the uplift to Part L ranges from £3,000 to £5,000 per unit. This reflects a requirement for new homes to produce 31% fewer carbon emissions (representing the upper end of the consultation range). It is anticipated that from late 2025, new homes are expected to deliver a 75-80% reduction in emissions compared to homes built under earlier standards.</p> <p>In this assessment, we have included a rounded FHS cost of £5,000 per house and £2,260 per flat, and assumed that new homes are net zero carbon ready in terms of market values.</p> <p>Other sustainability features (green roofs, rainwater harvesting, energy-efficient systems etc) are assumed to be reflected within</p>

²https://assets.publishing.service.gov.uk/media/60114c6c8fa8f565494239a7/Government_response_to_Future_Homes_Standard_consultation.pdf

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
			<p>standard BCIS or covered by external works allowances. Our professional fees assumptions also account for any relative design work.</p> <p>To address viability concerns, a sensitivity test excluding FHS costs has also been included within our appraisal modelling.</p>
C 12 – Utility Infrastructure Requirements for New Development	Medium	<p>The Council will support proposals for improvements in the provision of the Island's utility infrastructure to meet identified needs and that would not adversely impact on the ability and/or capacity of the Island's utility infrastructure to function.</p> <p>Development proposals will be required to provide, or where appropriate, make a financial contribution to, infrastructure which as a minimum is necessary to make the development acceptable in planning terms</p>	The cost of connecting to existing utilities infrastructure is considered to be covered by our external works allowances. Any new infrastructure would be an abnormal cost that should come off the value of the land.
C 13 – Maintaining Key Utility Infrastructure	Low	This policy seeks to maintain or improve number of treatment works and mains supplies.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
C 14 - Providing Social and Community Infrastructure	Low	The policy sets out the expectations for the provision or improvements to cultural, educational, leisure and community facilities. It also resists the loss of such facilities.	These will need to be considered on a site-by-site basis, and if required will be deemed an abnormal development costs which will need to be reflected in the land value paid.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
C 15 - Community-led Planning	Low	Where town and parish councils have undertaken place plans and/ or masterplanning work that has been endorsed by the council, development proposals should demonstrate how they contribute to achieving the aims of the community-led planning.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
EV 1 - Conserving and Enhancing our Historic Environment	Low	This policy deals with conserving and enhancing the special character of the Island's historic environment.	There is no direct impact on the value/cost assumptions in respect of our appraisals. It is expected that proposals where there is a listed building would be subject to a site-specific viability assessment. This would consider optimum viable uses, enabling development etc. and is not possible to model as part of a plan viability study.
EV 2 - Ecological Assets and Opportunities for Enhancement	Medium	This covers the mitigation measures to protect the ecology of the Island and where possible enhance it. Applications for development are required to include an ecology assessment, a biodiversity mitigation plan and demonstrate how a net gain of 10% for biodiversity will be achieved.	<p>We have included a specific cost for complying with the 10% net gain in biodiversity. The cost for preparing the assessment and mitigation plan is assumed to be covered by the professional fees allowance.</p> <p>The cost in our appraisals is based on the DEFRA Impact Assessment Title: Biodiversity net gain and local nature recovery strategies IA No: RPC Reference No: RPC-4277(1)-DEFRA-EA, Lead department or agency: Defra; Other departments or agencies: Natural England.</p> <p>The working assumption is that BNG can be delivered on-site within the net to gross ratios set out on the Typologies Matrix.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
			<p>We note however that some larger sites in the country are delivering their Biodiversity Net Gain (BNG) requirements through off-site Public Open Space (POS).</p> <p>This should be kept under review as we are aware that the costs could be considerably higher or lower depending on the site-specific circumstances.</p>
EV 3 – Recreation Impact on the Solent Marine Sites	Medium	<p>Development proposals located within 5.6km of the Solent SPAs and that meets the relevant criteria should provide mitigation through either:</p> <ul style="list-style-type: none"> a. A financial contribution in accordance with the Bird Aware Solent Strategy; or b. A developer-led mitigation scheme that achieves the requirements of the Bird Aware Solent Strategy; or c. A combination of the above. 	<p>At this stage, we have not included a cost for SANGs in our appraisal, as we consider this to be addressed at a site-specific level.</p>
EV 4 – Water Quality Impact on Solent Marine Sites (Nitrates)	Low	<p>Development involving a net increase in dwellings, must demonstrate that the scheme would not result in a net increase in nutrients.</p>	<p>We consider the cost for demonstrating compliance with this would be met through professional fees allowance. Any cost associated with mitigating the impact of nitrates may have a higher impact on viability (medium). However, no specific nitrate allowance is needed due to all proposed allocations going to Sandown Wastewater Treatment Works.</p>
EV 5 – Trees, Woodland and Hedgerows	Low	<p>This policy requires development proposals to retain trees, woodland and hedgerows.</p>	<p>It is assumed any retention of trees, woodland and hedgerows will be part of the gross development area assumed. All sites have been appraised on a gross site area with deductions for a net developable area; therefore the land cost is reflected in our assessment.</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
EV6 - Providing and Protecting Green Spaces	High	<p>Development proposals are required to provide and enhance green and open space in line with the standards set out in the Isle of Wight Open Space Assessment and Playing Pitch Strategy. Development proposals will be expected to demonstrate how they:</p> <ul style="list-style-type: none"> • Avoid loss of identified open space • Ensure deficiencies identified are addressed • Where relevant, make provision for public green, open and recreational space through on site or off site provision considering proposals within the Isle of Wight Local Nature Recovery Strategy (LNRS). 	It is assumed that greenspace will be delivered on-site on the element between the net and gross development area.
EV 7 – Local Green Spaces	Low	This policy enables the Council to designate Local Green Spaces.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
EV 8 – Protecting High Grade Agricultural Land	Low	The policy protects the best and most versatile agricultural land from development on the island. An agricultural land classification survey is required on sites over 5 hectares.	The cost of doing a land classification survey would be met through our professional fees allowance. We consider this policy supports adopting an Existing Use Value for greenfield sites which is not reflective of prime agricultural land because this is not likely to be the type of site that comes forward for development.
EV 9 - Protecting Our	Low	Policy protects the seascapes and landscapes.	This policy will be reflected in development design and does not have a direct impact on the value/cost assumptions in respect of our appraisals.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
Seascapes and Landscape			
EV 10 – Preserving Settlement Identity	Low	This policy seeks to preserve green space between settlements.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
EV 11 – Isle of Wight National Landscape (formerly AONB)	Low	This policy concerns development proposals that effect the AONB.	No development is planned in close proximity to the AONB. Any development which does occur which does impact the AONB the cost of any mitigation will need to be reflected in the price paid for the land.
EV 12 – Dark Skies	Low	This policy seeks to reduce light pollution within development proposals in the south west of the Island.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
EV 13 - Managing Our Water Resource	Medium	This policy places requirements on development proposals to conserve water resources, reduce surface water run-off and where appropriate deliver SUDs.	The cost of providing drainage measures will be met through the external costs assumed in the appraisal. We have made a cost allowance of £9 per dwelling to achieve water efficiency consumption to 100lppp.
EV 14 - Managing Flood Risk in New Development	High	This policy sets out the Council's flood risk management	<p>The Council has identified the following sites that will be affected by flood risk:</p> <ul style="list-style-type: none"> • HA080 • HA044 <p>The Council is not prescriptive on how flood risk should be mitigated and it will be dealt with on a site-by-site basis. Measures could include raising ground levels or raising the buildings. We have not included a cost for mitigation flood risk as</p>

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
			we do not consider it a typical issue across all sites. The cost of mitigating this should be reflected in the land value.
EV 15 - Monkton Mead Catchment Area	High	Policy deals with the specifics of development coming forward in the Monkton Mead Catchment Area. Developments of greater than 1 hectare and in floods zones 2 and 3 should be supported by on-site SUDs.	It is assumed that SUDs will be captured through the general external cost allowance.
EV 16 – Managing Our Coast	Low	Policy seeks to manage development in coastal areas with development proposals having to demonstrate they have taken a sustainable and practicable approach to coastal protection and flood risk management. All development proposals will also need a coastal erosion vulnerability assessment.	Within our assumptions we have made an allowance for professional fees which would cover the cost of complying with this policy. Any site-specific mitigation would be considered an abnormal development costs and will need to be reflected in a reduced land value then assumed in our testing.
EV 17 – Facilitating Relocation from Coastal Change Management Areas	Low	This policy concerns relocating existing development from the Coastal Change Management Areas (CCMAs) which is forecasted to be affected within 20 years.	There is no direct impact on the value/cost assumptions in respect of our appraisals.
EV18 – Improving Resilience to Coastal Flooding and Coastal Risks	High	This policy requires development proposals to contribute towards future coastal and flood risk reduction schemes.	The viability assessments assess the potential contribution development could make towards coastal flooding mitigation. We understand based on a local precedent from East Cowes, that a contribution of £1,500 per dwelling may be required if this was an issue which it is not expected to be based on allocations.

Planning Policy	Impact	Local Plan Viability implications	AspinallVerdi comment
EV 19 - Managing Ground Instability in New Development	Low	In areas at risk from ground stability, development proposals are expected to demonstrate that the site is suitable for the use, measures are in place to minimise the amount of water entering the ground and that surface water run-off is accommodated.	There is no planned growth in the areas affected by ground instability.

Appendix 2 – Typologies Matrix

Isle of Wight Residential Typologies Matrix

Ref.	# Resi Units	Market Area	Site Typology	Gross Site Area (ha)	Development Density (dph) [1]	Net Developable Site Area (ha)	Net Developable Site Area (acres)	DEFRA Biodiversity [2]	Cat. M4(3) [3]	S.106 Contributions [4]	AH Target [5]	AH Tenure Mix [5]:			Market Housing Mix [6]:								Affordable Rent Housing Mix: [6]								Affordable Intermediate Tenures Housing Mix: [6]							
								(£/unit)	(£/unit)	(£/unit)	(%)	Affordable Rent (% of AH)	Intermediate (% of AH)	First Homes (% of AH)	1B F	2B F	1B H	2B H	3B H	4B H	5B H	Total	1B F	2B F	1B H	2B H	3B H	4B+ H	5B H	Total	1B F	2B F	1B H	2B H	3B H	4B+ H	5B H	Total
A	10	Lower Value Zone	Greenfield Sites / Sites Adjacent to Rural Service Centre	0.40	25.00	0.40	0.99	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
B	10	Lower Value Zone	Brownfield	0.25	40.00	0.25	0.62	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
C	20	Lower Value Zone	Greenfield	1.00	25.00	0.80	1.98	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
D	20	Lower Value Zone	Brownfield	0.63	40.00	0.50	1.24	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
E	50	Lower Value Zone	Greenfield	2.08	30.00	1.67	4.12	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
F	50	Lower Value Zone	Brownfield	1.56	40.00	1.25	3.09	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
G	100	Lower Value Zone	Greenfield	3.86	35.00	2.86	7.06	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
H	100	Lower Value Zone	Brownfield	3.00	45.00	2.22	5.49	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
I	200	Lower Value Zone	Greenfield	7.71	35.00	5.71	14.12	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	5.0%	-	-	30.0%	40.0%	20.0%	5.0%	100.0%	20.0%	10.0%	20.0%	20.0%	25.0%	5.0%	-	100.0%	10.0%	20.0%	10.0%	20.0%	30.0%	5.0%	5.0%	100.0%
J	200	Lower Value Zone	Brownfield	6.00	45.00	4.44	10.98	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	5.0%	-	-	30.0%	40.0%	20.0%	5.0%	100.0%	20.0%	10.0%	20.0%	20.0%	25.0%	5.0%	-	100.0%	10.0%	20.0%	10.0%	20.0%	30.0%	5.0%	5.0%	100.0%
K	500	Lower Value Zone	Greenfield	21.43	35.00	14.29	35.30	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	20.0%	10.0%	20.0%	20.0%	25.0%	5.0%	-	100.0%	10.0%	20.0%	10.0%	20.0%	30.0%	5.0%	5.0%	100.0%
L	1200	Lower Value Zone	Mixed (GF / BF)	40.00	45.00	26.67	65.89	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	20.0%	10.0%	20.0%	20.0%	25.0%	5.0%	-	100.0%	10.0%	20.0%	10.0%	20.0%	30.0%	5.0%	5.0%	100.0%
M	10	Higher Value Zone	Greenfield Sites / Sites Adjacent to Rural Service Centre	0.40	25.00	0.40	0.99	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
N	20	Higher Value Zone	Brownfield	0.60	40.00	0.50	1.24	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
O	25	Higher Value Zone	Greenfield	1.25	25.00	1.00	2.47	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
P	100	Higher Value Zone	Greenfield	3.86	35.00	2.86	7.06	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
Q	150	Higher Value Zone	Brownfield	4.17	45.00	3.33	8.24	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	20.0%	10.0%	20.0%	20.0%	25.0%	5.0%	-	100.0%	10.0%	20.0%	10.0%	20.0%	30.0%	5.0%	5.0%	100.0%
R	250	Higher Value Zone	Brownfield - Flatted Scheme	1.04	300.00	0.83	2.06	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	30.0%	70.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%
S	35	Island Wide	Small Brownfield Flatted Scheme	0.54	75.00	0.47	1.15	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	35.0%	65.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%
T	8	Island Wide	Greenfield Rural Exception Site	0.40	20.00	0.40	0.99	£1,011	£10,000	£6,600	100%	80.00%	20.00%	0.00%	-	-	5.0%	30.0%	40.0%	20.0%	5.0%	100.0%	-	-	40.0%	30.0%	25.0%	5.0%	-	100.0%	-	-	20.0%	40.0%	30.0%	5.0%	5.0%	100.0%
V	50	Island Wide - Sheltered Housing	Greenfield	0.77	75.00	0.67	1.65	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	35.0%	65.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%
W	50	Island Wide - Sheltered Housing	Brownfield	0.77	75.00	0.67	1.65	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	35.0%	65.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%
X	50	Island Wide - Extra-Care Housing	Greenfield	0.77	75.00	0.67	1.65	£1,011	£10,000	£6,600	35%	80.00%	20.00%	0.00%	35.0%	65.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%
Y	50	Island Wide - Extra-Care Housing	Brownfield	0.77	75.00	0.67	1.65	£287	£10,000	£6,600	35%	80.00%	20.00%	0.00%	35.0%	65.0%	-	-	-	-	-	100.0%	75.0%	25.0%	-	-	-	-	-	100.0%	30.0%	70.0%	-	-	-	-	-	100.0%

Notes

[1] Based on previous viability study 2018 and adopted in the 2022 update

[2] Policy EV2 - Cost based on the DEFRA Impact Assessment Title: Biodiversity net gain and local nature recovery strategies IA No: RPC Reference No: RPC-4277(1)-DEFRA-EA

[3] Policy H8

[4] Policy G3

[5] Policy H5

[6] Policy H8 - We have also looked at the wording which considers 25% for 4-bed+ housing. We have taken this to allow for 20% 4-beds, and 5% 5-beds ((and following market evidence))

[7] Policy H5 - as above, we have made reasonable splits in line with policy wording to include 5-beds in the mix (and following market evidence)



Appendix 3 – Residential Market Paper

Residential Market Paper

Isle of Wight Local Plan Viability Assessment
2025



Isle of Wight Council

July 2025

Quality Assurance

Date of Report

22nd July 2025

Version

V0.5

Filename and path

S:_Client Projects\1807 Isle of Wight Whole Plan Viability Study_Isle of Wight Council\2506 WPV Update_Reports\2506 Resi Market Paper\250722 Isle of Wight Residential Market Paper 2025_v0.5.docx

Prepared by

Amir Shabir, Consultant

17th July 2025

Checked by

Daniel Starkey, Associate Director

Date

22nd July 2025

Authorised by

Atam Verdi

Date

22nd July 2025

Limitation

This report has been prepared on behalf of and for the exclusive use of Aspinall Verdi Limited's Client and it is subject to and issued in connection with the provisions of the agreement between Aspinall Verdi Limited and its Client. Aspinall Verdi Limited accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

Contents

Executive Summary

Report

1	Introduction	1
	May 2022 Value Assumptions	2
2	National and Regional Market Overview	3
	RICS UK Residential Market Survey – June 2025	3
	Land Registry UK House Price Index - 2025	4
3	Existing Evidence Base	6
4	New Build Achieved Values	8
	Achieved New Build Values – All Property Types	8
	Achieved New Build Values – By Unit Type	10
5	New Build Asking Prices	12
	Higher Value Zone – Asking Prices	12
	Lower Value Zone – Asking Prices	18
6	Residential Value Assumptions	21
7	Older Persons Housing	23
	Specialist Accommodation for Older People Defined	23
	Specialist Accommodation Market Evidence	24
	Specialist Accommodation Value Assumptions	26
8	Affordable Housing Transfer Values	27
	Affordability on the Isle of Wight	28
	Intermediate Tenures	28
	Affordable Rent	32
	Summary of Transfer Value Assumptions	33

Tables & Figures

Table 1.1 – May 2022 Unit Size and Value Assumptions (<49-unit Schemes)	2
Table 1.2 - May 2022 Unit Size and Value Assumptions (>50-unit Schemes)	2
Table 2.1 – Land Registry Average House Prices – UK and Isle of Wight	4
Figure 3.1 - Isle of Wight Housing Value Zones (2018)	6
Table 3.1 – Isle of White Value Zones (by market area and postcode)	7
Table 4.1 – New Build Achieved Values by Market Area	8
Table 4.2 - New Build Achieved Values £ psm by Market Area	9
Table 4.3 – Average Achieved Values by Area and House Type (£ psm)	10
Figure 5.1 – Meadow View Park Site Plan	13
Table 5.1 – Meadow View Park Asking Prices	14
Figure 5.2 Valley View	15

Table 5.2 – Valley View Asking Prices	15
Figure 5.3 Turnstone Drive	16
Table 5.3 – Turnstone Drive Asking Prices	16
Figure 5.4 – Lily Cross Farm Site Plan	17
Table 5.4 – Lily Cross Farms Asking Prices	18
Table 5.5 – Wishing Well Close Asking Prices	19
Table 5.6 - Spencer Park Asking Prices	19
Table 5.7 – Seahaven Asking Prices	20
Table 6.1 – Residential Value Assumptions 2025 <49 Units	22
Table 6.2 – Residential Value Assumptions 2025 >50 Units	22
Table 6.3 Change in Value Assumptions from 2022 Study	22
Table 7.1 – AspinallVerdi Older Persons Value Assumptions May 2022	24
Table 7.2 – Somers Brook Court Achieved Transactions	25
Table 8.1 – Intermediate Tenure Transfer Value Calculation (50% Shared Ownership)	29
Table 8.2 – Three Oaks Shared Ownership Price List	30
Table 8.3 – Intermediate Transfer Value Calculation (10% Shared Ownership)	31
Table 8.4 - Local Housing Allowance Rates and Market Rents Comparison	32
Table 8.5 – Capitalisation of Affordable Rents (Lower Value Zone Values)	33

1 Introduction

- 1.1 This Appendix provides the detail and evidence behind the sales value assumptions used in our financial appraisals.
- 1.2 The residential market research has been undertaken over multiple stages. The original market assessment was undertaken in 2018, with an update being undertaken in May 2021 and the most recent update being undertaken in June 2022.
- 1.3 In order to bring the 2022 work up to date this appendix report makes amendments where appropriate to ensure our value assumptions are reflective of the market at present (July 2025).

Section	Description
2) National and Regional Overview	Provides an assessment of the current residential market in a national and regional context.
3) Existing Evidence Base	Provides a review of the existing market evidence which informs the starting point for our assumptions.
4) New Build Achieved Values	Provides an assessment of new build achieved values across the Isle of Wight. The market assessment is based on industry recognised published data from the Land Registry and the Energy Performance Certificate Register (EPC).
5) Housing Value Zones	In this section there is an additional review of second-hand data from the Land Registry to test the values <i>relative to each other</i> across the area. This helps to define the housing values zones across the area. We provide our adopted housing value zones as an output to this section.
6) New Build Asking Prices	Provides an assessment of asking prices for new build properties across the Isle of Wight. The market assessment is based on published data from Rightmove/Zoopla and developer's websites.
7) Residential Value Assumptions	Based on our assessment of the residential market, we set out our value assumptions for the range of house types which will be tested.

8) Specialist Accommodation for Older People	This section sets out our understanding of the various types of housing for older people and our research and value assumptions.
9) Transfer Values for Affordable Housing	This section sets out our assumptions in respect of affordable housing transfer values.

May 2022 Value Assumptions

- 1.4 For reference, we set out below the value assumptions contained in our May 2022 assessment. We use this as a “starting point” for this current review.

Table 1.1 – May 2022 Unit Size and Value Assumptions (<49-unit Schemes)

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	55.00	£150,000	£2,727	55.00	£180,000	£3,273
2-Bed Flat	70.00	£180,000	£2,571	70.00	£230,000	£3,286
2-Bed House	72.00	£225,000	£3,125	78.00	£260,000	£3,333
3-Bed House	87.00	£280,000	£3,218	97.00	£330,000	£3,402
4-Bed House	115.00	£380,000	£3,304	128.00	£450,000	£3,516

Source: AspinallVerdi (220609 Appendix 4 – Residential Market Paper_v0.2)

Table 1.2 - May 2022 Unit Size and Value Assumptions (>50-unit Schemes)

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	45.00	£140,000	£3,111	45.00	£160,000	£3,556
2-Bed Flat	60.00	£170,000	£2,833	60.00	£200,000	£3,333
2-Bed House	70.00	£210,000	£3,000	75.00	£240,000	£3,200
3-Bed House	84.00	£265,000	£3,155	93.00	£315,000	£3,387
4-Bed House	110.00	£375,000	£3,409	115.00	£420,000	£3,652

Source: AspinallVerdi (220609 Appendix 4 – Residential Market Paper_v0.2)

2 National and Regional Market Overview

- 2.1 We set out below our review of selected market publications which provides context for the value assumptions we rely upon.

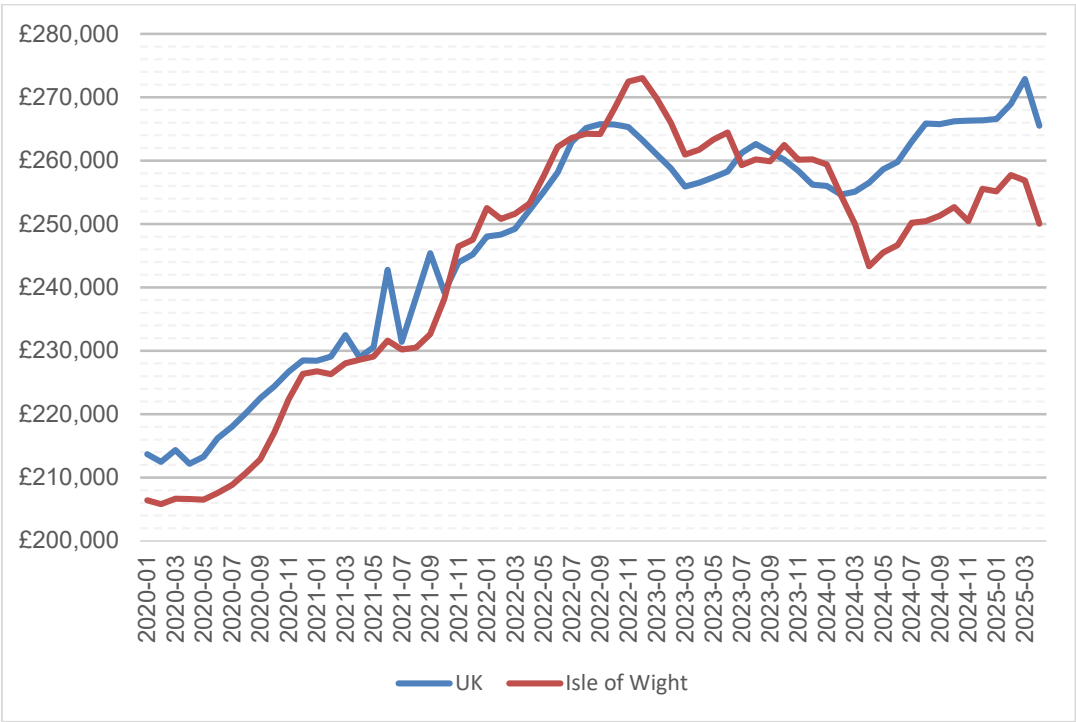
RICS UK Residential Market Survey – June 2025

- 2.2 The RICS publishes a regular UK Residential Market Survey providing an overall opinion of the direction that the residential market is taking, along with commentary from surveyors across the regions. The June 2025 publication provided the following summary:
- Indicators on buyer enquiries and agreed sales turn from negative to neutral
 - House prices still display a flat/marginally negative trend at the aggregate level
 - Near-term sales expectations brighten somewhat over the month.
- 2.3 The survey results point to a steadier picture for sales market activity, with measures of buyer demand moving out of negative territory for the first time in several months. Furthermore, sentiment regarding the near-term outlook for sales volumes has turned marginally positive, albeit momentum is still expected to remain quite subdued over the months ahead. New buyer enquiries came in at +3% in June. This is noticeably improved on the reading of -22% seen previously, with the demand gauge moving out of negative territory for the first time since December 2024. For agreed sales the national net balance of -3% for this month is significantly less downbeat than readings of -25% and -28% returned in each of the previous two iterations of this survey.
- 2.4 However, at the 12-month time horizon, +5% of respondents (down from +25% beforehand) shows respondents anticipate a broadly flat landscape for sales volumes over the next year as a whole. The new instructions to sell metric registered a net balance reading of +3% in June, down from a figure of +7% last time. This is the least positive return for this indicator looking back over the past twelve months. A net balance of +16% of respondents continue to note that the number of market appraisals conducted over the month was greater than during the comparable period of last year. This would suggest there is still some positive impetus in the supply pipeline moving forward.
- 2.5 The headline indicator for house prices produced a net balance of -7% this month (unchanged from the May 2025 results). As such, this is indicative of a flat to marginally negative trend in house prices at the aggregate level. Importantly, however the headline reading masks significant divergence across different parts of the UK. Respondents to the survey based in the South East, East Anglia and London reported a more noticeable decline in house prices. By way of contrast the house price indicator is much more positive across Northern Ireland, the north West of England, Scotland and the East Midlands.

Land Registry UK House Price Index - 2025

- 2.6 HM Land Registry have a UK House Price Index (HPI) where they publish monthly sales data collected on residential housing transactions in the UK.
- 2.7 The following figure shows the average price for all property types in the UK and Isle of Wight over the last 5 years from the index.

Table 2.1 – Land Registry Average House Prices – UK and Isle of Wight



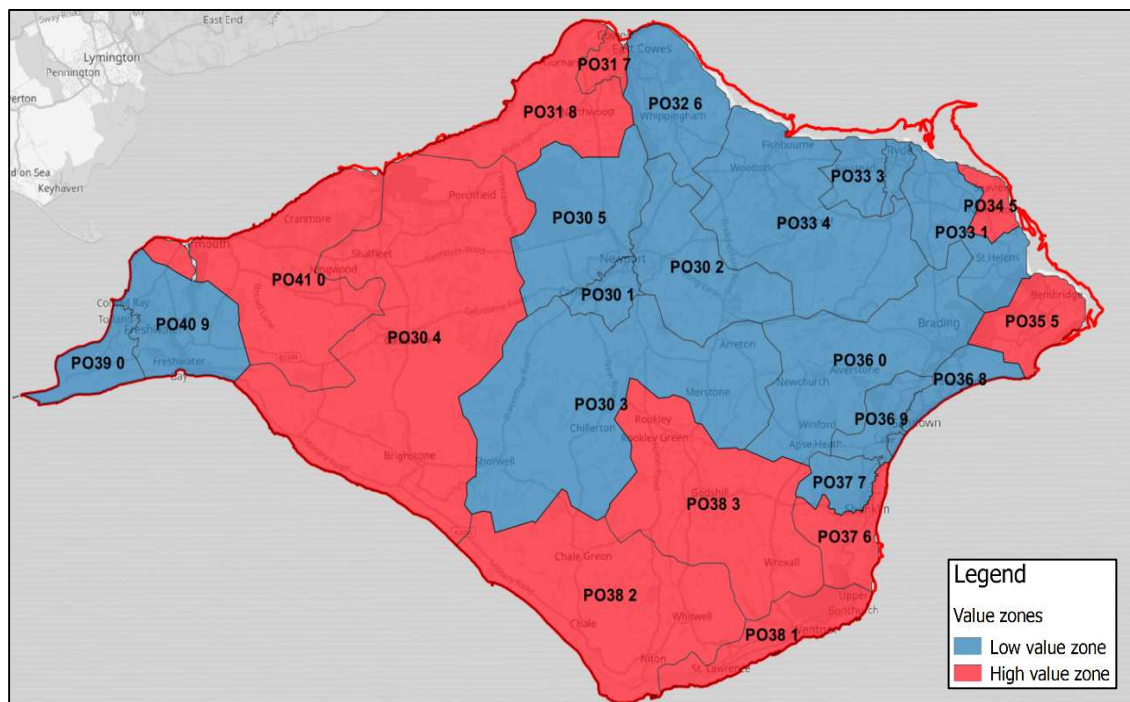
- 2.8 Average property prices in the Isle of Wight have risen steadily from 2020 to January 2023, where values exceeded the national UK average price. This has been on a decline for the last 2 years from 2023 to 2025, where they have now fallen below the national average. The average price in Isle of Wight is currently at £250,026 and the UK national average price is £265,497.
- 2.9 The current average price for all properties in Isle of Wight is the same as it was around March 2024 and November 2024.

- 2.10 We have calculated the change in average achieved prices for all residential property types collectively and individually from June 2022 to April 2025 (latest available date), using the HPI index base points. This is to see the exact percentage difference within the Isle of Wight since our last assessment. The HPI index shows that average achieved prices have fallen -5% since June 2022.
- 2.11 This average fall could be attributed to multiple reasons such as: multiple base rate increases, inflationary pressures, mortgage costs, small-scale new-build schemes having downward pressure on resale values over the previous few years, political uncertainty during 2024 general election etc.
- 2.12 While this figure reflects a blend of second-hand and new-build transactions, it provides a useful market-wide context. This broader price softening has been considered in our value assumptions, although we have tested this by examining new-build achieved and asking prices to understand movements within the latest evidence supports this overall decrease in market values.
- 2.13 This is notwithstanding that inflationary pressures are easing, the Bank of England base rate has been reduced four times since August 2024 (from 5.25% to 4.25% as of May 2025), and there is now greater political stability following the general election and subsequent budget and spending reviews.

3 Existing Evidence Base

- 3.1 We have previously undertaken a review of the existing evidence base and summarised the findings from our previous residential market reports in subsequent updates.
- 3.2 This is not all repeated here but we point to the most relevant evidence/principles that have been established in these previous studies.
- 3.3 Through our previous work, we identified the lower and higher value zones in the Isle of Wight for the purposes of our viability assessment. The higher value areas included:
- the primary settlement of Cowes
 - the local centres of Shanklin (part of The Bay) and Ventnor
 - the village centre and rural settlements of Bembridge and Seaview (pockets on east coast)
- 3.4 The lower value areas included:
- the primary settlements of Newport and Ryde
 - the local centres of East Cowes, Sandown (part of The Bay) and Freshwater (West Wight)
- 3.5 These are illustrated in Figure 3.1 below.

Figure 3.1 - Isle of Wight Housing Value Zones (2018)



Source: Isle of Wight Council, OS data © Crown copyright and database rights 2018

- 3.6 The value zones shown above were established through looking at second-hand property sales. This was because there was no clear trend in values by looking at new-build residential sales. The research found that the new build residential market on the Isle of Wight was complex due to the variation in type of development coming forward.
- 3.7 For the purpose of the 2018 plan-wide viability study, we also reflected the different types of development coming forward by formulating development typologies that distinguish between smaller sites i.e. up to 50 units and larger schemes (over this threshold) in terms of unit sizes. This was to reflect the peculiarity of the residential market on the Isle of Wight which includes larger volume house builder developments (>50 units) which are a more standardised product aimed at the resident working population and smaller developments (<50 units) which typically have higher specifications and are located in attractive locations/settings, offering sea views for example. This type of development is aimed at second-home owners many of whom will have larger budgets.
- 3.8 Table 3.1 sets out a breakdown of postcodes and their respective value areas from our 2018 plan wide viability study. We have maintained these value zones for this updated residential market paper.

Table 3.1 – Isle of Wight Value Zones (by market area and postcode)

Broad Market Area	Lower Value	Higher Value
West Wight	PO39 0 PO40 9	PO41 0 PO30 4
East Wight	PO33 1-4	PO34 5 PO35 5
The Bay	PO36 0 PO36 8-9 PO37 7	PO37 6
East Medina	PO32 6	None
West Medina	None	PO31 7 PO31 8
Newport	PO30 1-3 PO30 5	None
South Coast and Rural	None	PO38 1-3

4 New Build Achieved Values

- 4.1 We have used the Land Registry Index to understand sold values for new-build schemes.
- 4.2 Our Land Registry research is based on a detailed analysis of new-build achieved values, cross-referenced, on an address-by-address basis, to the floor areas published on the EPC (Energy Performance Certificate) database in order to derive the achieved values (£ per square metre). We have selected a period of 2-years for our search.

Achieved New Build Values – All Property Types

- 4.3 We have evaluated the available data for all house types (including flats) on a price per square metre (£ psm) basis. Our search period extends from September 2022 until May 2025. It is important to note that Land Registry can take from 3-6 months to update and show transactions. There is therefore a lag period where such transactions do not show. The latest transaction identified in our data was from May 2024.
- 4.4 Table 4.1 and Table 4.2 below provide a summary of the market areas/value zones with the range of values achieved on a price paid and £ per sqm basis. i.e. Minimum, Average, Median and Maximum and the total number of units sold. Where there is no new build data within a particular area (within the reference period), we have excluded this area.

Table 4.1 – New Build Achieved Values by Market Area

Lower Value Area					
Postcode	Min £	Average £	Median £	Max £	Total Units
East Wight	£575,000	£668,333	£715,000	£715,000	3
Newport	£185,000	£266,139	£250,000	£395,000	18
Higher Value Area					
South Coast and Rural	£190,000	£348,474	£327,500	£495,995	17
West Medina	£570,000	£640,000	£625,000	£725,000	3
West Wight	£255,000	£376,500	£310,000	£510,000	15

Source: AspinallVerdi (250624 IOW New Build Achieved Data_v0.1)

Table 4.2 - New Build Achieved Values £ psm by Market Area

Lower Value Area					
Area	Min £	Average £	Median £	Max £	Total Units
East Wight	£3,803	£4,010	£3,803	£4,423	3
Newport	£2,561	£3,080	£3,033	£3,672	17
Higher Value Area					
South Coast and Rural	£2,754	£3,599	£3,765	£4,033	17
West Medina	£2,639	£3,138	£3,255	£3,519	3
West Wight	£2,841	£3,645	£3,731	£4,257	15

Source: AspinallVerdi (250624 IOW New Build Achieved Data_v0.1)

4.5 Within our review period, 55 transactions were identified across 5 market areas out of 7, as follows:

- Newport (lower value area) and South Coast & Rural saw the most activity with 17 properties sold respectively and recorded on Land Registry. These were a mix of terraced, semi-detached and detached properties as well as one flat.
- Newport also has the lowest average values on the Island.
- West Medina (higher value area) has the highest recorded values on the Island. The recorded transactions here are very large units from 192 – 216 sqm.
- East Wight (lower value area) on average has the highest £psm value, however this is from a small sample size (3 transactions) which are also large units from 133 – 188 sqm.

4.6 We note that out of the 55 transactions, only 4 of these took place in 2024, 27 took place in 2023 and the remainder in 2022. This suggests a drop in new-build activity in the last few years in the Island. However, it is also worth noting that there is often a significant lag in transactions being registered on the Land Registry which means not all data will be captured.

Achieved New Build Values – By Unit Type

4.7 We have made assumptions about the number of bedrooms within each property based on nationally described space standards. Our assumptions are the following:

- 1-bed flat: up to 60 sqm
- 2-bed flat: 61 sqm – 70 sqm
- 2-bed house: 70 sqm – 83 sqm
- 3-bed house: 84 sqm – 105 sqm
- 4-bed house: 106 sqm+

4.8 Our previously assumed floor areas were also benchmarked on nationally described space standards.

4.9 Based on these areas, we have summarised the average value for each property type, in each market area, in Table 4.3.

Table 4.3 – Average Achieved Values by Area and House Type (£ psm)

Lower Value Area £ psm					
Area	1-bed Flat	2-bed Flat	2-bed House	3-bed House	4-bed House
East Wight	-	-	-	-	£4,010
Newport	-	£3,396	£2,986	£2,778	£3,084
Higher Value Area £psm					
South Coast and Rural	-	£2,754	-	£3,514	£3,955
West Medina	-	-	-	-	£3,318
West Wight	-	-	£3,890	-	£3,430

Source: AspinallVerdi (250624 IOW New Build Achieved Data_v0.1)

4.10 The table shows 4-bed+ houses are the most popular house type in most areas. Smaller house types are less common, particularly flats. Although we note the market for flats are in more coastal locations or near the River Medina (South Coast and Newport).

4.11 Typically, £psm values for larger units are lower, however the above shows that this is higher in most areas for the 4-bed houses than smaller units. The higher £ psm values may also reflect buyer preferences for larger homes in coastal or rural / semi-rural areas, where purchasers are willing to pay a premium for the space and setting.

- 4.12 There were no identifiable 1-bed flat transactions.
- 4.13 As verified earlier in the section, most of the sales activity is seen in Newport (lower value area). This was mainly made up of a mixture of terraced, semi detached properties and included volume house builder deliver at St George's Gate by Barratt Developments.
- 4.14 Only one larger >50 scheme was identified within our research which had registered achieved new build sales (St. Georges's Gate – David Wilson Homes). David Wilson Homes are part of Barratt Developments and represent their executive/luxury brand. However, they are still a volume product utilising standard house types without the bespoke features and attractive locations/settings found on the typical smaller (<50) developments.

5 New Build Asking Prices

- 5.1 We have reviewed a number of new build developments currently (July 2025) in the Isle of Wight, to understand the up to date asking values associated with new build properties in order to inform our viability testing with up-to-date pricing.
- 5.2 It should be noted that asking prices may be aspirational, and may not reflect the incentives offered by the developer or the actual value a willing purchaser will pay.
- 5.3 The RICS Professional Standard on Comparable Evidence in Property Valuation¹ states that asking prices *'cannot by themselves provide reliable evidence of value and should be treated with some caution. They will usually vary from the price achieved on exchange in the open market, but when interpreted with care by an experienced valuer they can provide some guidance as to current market sentiment and trends in value.'* Thus, whilst the achieved value data (from the Land Registry in sections 4 and 5 above) provides robust data, this is retrospective and limited to an extent (considering lower number of smaller units sold). The asking price analysis in this section provides a review of *current* prices for new builds.
- 5.4 It is important to note that the supply ('flow') of new build properties has to be sold within a market place that includes an established 'stock' of competing properties. The asking price is therefore tempered by the wider price mechanism.
- 5.5 We have undertaken market research across the Isle of Wight. We set out a summary of the new developments currently on offer before providing a summary of asking prices per property type.
- 5.6 At the time of our research, we did not identify many large new-build schemes. The majority of schemes are smaller schemes with less than 50-units, as part of exclusive developments with 3 and 4-bed houses. No new-build 2-bed houses or 1-bed flats have been identified on the market at the time of our research.
- 5.7 We have reported any identified schemes/new-build listings by categorising them based on their situated market area and value zone.

Higher Value Zone – Asking Prices

- 5.8 We identified four schemes in the higher value zone, these are:
- Meadow View Park, West Medina - Meadow View Contractors Ltd
 - Valley View, East Wight
 - Turnstone Drive, East Wight - Elliot Lincoln

¹ Comparable evidence in property valuation, RICS information paper, 1st edition (IP 26/2012)

- Lily Cross Farm, South Coast & Rural – Captiva Homes

West Medina

- 5.9 The only development that lies in this market area of the Island is the Meadow View Park development.
- 5.10 Meadow View Park is a small (<50) high-spec new-build housing development on Sunset Drive, Isle of Wight. The scheme comprises a mix of detached houses and chalet bungalows. The scheme is being delivered in phases, with Phase 4 nearing completion and Phase 3A currently under construction. Properties benefit from strong sustainability credentials, including air-source heat pumps, underfloor heating, solar panels with Tesla battery storage, and rainwater harvesting.
- 5.11 A site plan can be seen in Figure 5.1.

Figure 5.1 – Meadow View Park Site Plan



Source: Meadow View Contractors (2025)

5.12 The asking prices from this scheme are summarised in Table 5.1.

Table 5.1 – Meadow View Park Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
4-bed Detached	201	£875,000	£4,353
4-bed Detached - Affordable	201	£700,000	£3,483

Source: Rightmove (2025)

5.13 These listings are both chalet-style units and benefit from 3x bathrooms. The 4-bed unit includes a single integral garage.

5.14 The size of the units, the sustainability credentials, and the high-end finishes gives these units a premium value over a generic 3 & 4-bed unit from a volume housebuilder. While we would not expect similar values from typical volume or regional schemes, we will sense-check our value assumptions against the £ psm figures.

5.15 The differential between these two units is due to the lower priced unit being classed as an Affordable Housing unit marketed at 80% of open market value.

East Wight

5.16 We identified two schemes in this market area. These are as follows:

- Valley View, East Wight (High Value Zone)

5.17 Turnstone Drive, East Wight - Elliot Lincoln (High Value Zone) The Valley View scheme is a small three home new-build development located in Nettlestone Village, Isle of Wight, PO34 5DZ. The homes have been constructed by an experienced NHBC award-winning developer; however, the developer is named as Mr B Simms.. The scheme only consists of 3 detached units.

5.18 We understand that the units are finished to a high standard, with features including underfloor heating, quartz worktops, bi-fold doors, EV charging provision, and high EPC ratings. The scheme sits in a semi-rural coastal setting. The site plan is set out below:

Figure 5.2 Valley View



Source: Nimbus Maps (2025)

5.19 The asking prices from this scheme are summarised in Table 5.2

Table 5.2 – Valley View Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
4-bed Detached	148	£625,000	£4,223
4-bed Detached	151	£625,000	£4,139

Source: Rightmove (2025)

5.20 The scheme achieves strong £psm values. This is likely driven by its high specification, rural setting, and sustainability features. These values help to benchmark upper-end assumptions for smaller new-build housing on the Island.

5.21 The Turnstone Drive scheme is a small new build development in Bembridge Village, Turnstone Drive, PO35 5PP. This site is located in the Higher Value Zone. The developer is

- 5.22 The units are large, high-spec family homes with features including underfloor heating, solar panels, air-source heat pumps, bifold doors, and detached double garages. The scheme sits within a sought-after coastal village setting. The site plan is shown below:

Figure 5.3 Turnstone Drive



Source: Rightmove (2025)

- 5.23 The asking prices from this scheme are summarised in Table 5.3.

Table 5.3 – Turnstone Drive Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
3-bed Detached	193	£825,000	£4,275
4-bed Detached	250	£845,000	£3,380
4-bed Detached	150	£775,000	£5,167

Source: Rightmove (2025)

- 5.24 The £ psm values at Turnstone Drive vary depending on unit size and configuration. The smaller 4 bed unit (150 sqm) has a higher £ psm rate than the other comparables. This unit is more akin to a standard product, whereas the other two units include very large bedrooms and features which suggest it is marketed to the second home owner market. The remaining 2-units are chalet-style detached units, akin to Bungalows. Similar to the Valley View scheme, these values help to benchmark upper-end assumptions for smaller new-build housing on the Island. South Coast and Rural.
- 5.25 The only development that lies in this market area of the Island is the Lily Cross Farm development by Captiva Homes. This is a larger scheme (>50 Units).
- 5.26 It is a residential development located West Street, Godshill, PO38 3HL. The scheme comprises a mix of 2, 3, and 4-bed units. All units are A-rated for energy efficiency and incorporate features such as air-source heat pumps, solar PV panels, underfloor heating, and EV charging provision.
- 5.27 A site plan can be seen in Figure 5.4.

Figure 5.4 – Lily Cross Farm Site Plan



Source: Captiva Homes (2025)

5.28 The asking prices from this scheme are summarised in Table 5.4.

Table 5.4 – Lily Cross Farms Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
3-bed Semi-detached	84	£324,995	£3,869
3-bed Semi-detached	84	£326,000	£3,881
3-bed Semi-detached	84	£324,995	£3,869
3-bed Semi-detached	84	£324,995	£3,869
3-bed Detached	-	£389,995	-
4-bed Detached	-	£489,995	-
4-bed Detached	-	£492,500	-

Source: Rightmove (2025)

5.29 The floor areas for the 4-bed units were unavailable. The asking prices from this scheme are more reminiscent of what we would anticipate from a general/regional or a volume housebuilder. However, they indicate a pricing uplift in line with larger detached homes seen elsewhere on the Island.

Lower Value Zone – Asking Prices

5.30 We have identified 3 new build schemes in the lower value zone:

- Wishing Well Close, East Wight
- Spencer Park, East Wight
- Seahave, The Bay – Highdown Developments

East Wight

5.31 Two of the identified new-build schemes in the lower value zone fall within this market area.

5.32 The Wishing Well Close scheme is a gated cul-de-sac of 25-detached homes on Wishing Well Close, Pondwell, Ryde, PO33 1FS.

5.33 The units in this scheme have high-specification layouts, a modern contemporary design, premium finishes such as Corian worktops and engineered wood flooring, underfloor heating throughout, multiple balconies/roof terraces, and integral garages with EV parking. The 4 bed detached at 174 sqm attracts a lower £/sqm value asking price due to the property being over three stories. The other unit types are over two stories. Some information on sqm was unavailable.

5.34 The asking prices from this scheme are summarised in Table 5.5.

Table 5.5 – Wishing Well Close Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
4-bed Detached		£645,000	
4-bed Detached	157	£630,000	£4,013
4-bed Detached	174	£630,000	£3,621
4-bed Detached		£645,000	

Source: Rightmove

5.35 The Spencer Park scheme comprises a small collection of luxury detached and semi-detached homes located adjacent to Ryde Golf Club and near Ryde House Drive. The dwellings for sale include high spec features such as: underfloor heating, utility room and cloak room. Master suite with ensuite and dressing room. Open-plan kitchen/living space overlooking golf course and woodland. Both units include drive way parking and a reasonable size garden.

5.36 The asking prices for the two properties for sale are set out in table 5.6 below.

Table 5.6 - Spencer Park Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
3-bed Semi Detached	113	£440,000	£4,272
3-bed Semi Detached	109	£440,000	£4,013

Source: Rightmove

The Bay

5.37 The only development that lies in this market area of the Island is the Seahaven development by Highdown Developments.

5.38 Seahaven is a new-build apartment complex with 16 apartments ranging from 1, 2 and 3-bed units. It is located on Carter Street, Sandown, PO36 8BL, within walking distance from the seafront. The listed units have generous floor areas, with high specification and allocated parking.

5.39 The asking prices from this scheme are summarised in table 5.6 below:

Table 5.7 – Seahaven Asking Prices

Property Type	Size (sqm)	Asking Prices	Price £ psm
2-bed Apartment	97	£275,000	£2,835
2-bed Apartment	98	£265,000	£2,704
2-bed Apartment	85	£250,000	£2,941
2-bed Apartment	88	£245,000	£2,784

Source: Rightmove (2025)

5.40 All of the listings referenced above are being marketed on a leasehold basis. Despite being located in the lower value zone and offering relatively generous unit sizes, the £psm figures exceed those previously assumed for 2-bed apartments in this zone. The 97 sqm 2 bed unit includes a private garden, which explains the £10,000 difference between that unit and the 98 sqm unit. The 85 sqm unit is on the first floor whilst the 88sqm unit is on the ground floor which explains the £5,000 difference.

6 Residential Value Assumptions

- 6.1 We have updated our value assumptions to bring values from our previous report (2022) in line with the current market for the lower and higher value zone.
- 6.2 In our previous assessment, we made value distinctions between schemes of fewer than 50 units and those exceeding 50 units. The larger schemes are generally aimed at the mass/local market with use of standardised house types. The smaller schemes are more bespoke, aimed at second home owners and the holiday market. Hence there is a clear distinction between the smaller and larger developments. We have maintained this value distinction for the purposes of this assessment.
- 6.3 For most units the evidence indicates that typical unit sizes remain broadly aligned with assumptions utilised in the 2022 update. In this update, based on our research of available/transacted units, the Housing Monitoring Data and the latest Housing Market Needs Assessment, we have also looked at the value for 5-bed units.
- 6.4 In updating sales value assumptions, we have drawn on both achieved new-build evidence and asking price data from developments/schemes across the Island. Our research indicated that the larger units (3-beds+) were most prevalent and benefitted from higher values. Many 3-4-beds we highlighted (that were designed as standard houses or chalets), had areas of 150 – 200 sqm. The unit layouts, sizes, configurations were such that these units could become 5-bed units. Such units were also identified.
- 6.5 For 3 - 4 bed houses, our research shows higher prices than in 2022. Therefore, we have applied an uplift between 10-20% to our 2022 baseline for these typologies, in line with values we identified in Section 4 and 5. These higher values also reflect improved build quality of newer developments, higher energy efficiency, and compliance with modern standards such as the Future Homes Standard (FHS) and EV-ready infrastructure.
- 6.6 For smaller unit types (1-2 bed houses and flats), comparables were limited, particularly outside the main coastal settlements. However, given the demonstrated uplift in larger unit types and continued national investment in specification and energy performance across new schemes (and in compliance with upcoming regulations/standards), we have applied a minimum uplift of 5% to reflect the same general value growth and buyer expectations.
- 6.7 Ultimately, we have used our professional judgement to arrive at the following market values across the Isle of Wight which we have adopted in our financial appraisals. These are shown in the tables below.

Table 6.1 – Residential Value Assumptions 2025 <49 Units

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	55.00	£158,000	£2,873	55.00	£190,000	£3,455
2-Bed Flat	70.00	£190,000	£2,714	70.00	£242,000	£3,457
2-Bed House	72.00	£238,000	£3,306	78.00	£275,000	£3,526
3-Bed House	87.00	£350,000	£4,023	97.00	£400,000	£4,124
4-Bed House	115.00	£450,000	£3,913	128.00	£550,000	£4,297
5-Bed House	140.00	£530,000	£3,786	160.00	£625,000	£3,906

Source: AspinallVerdi 2025

Table 6.2 – Residential Value Assumptions 2025 >50 Units

Typology	Lower Value			Higher Value		
	Size (Sqm)	Value	(£ psm)	Size (Sqm)	Value	(£ psm)
1-Bed Flat / House	45.00	£148,000	£3,289	45.00	£168,000	£3,733
2-Bed Flat	60.00	£179,000	£2,983	60.00	£210,000	£3,500
2-Bed House	70.00	£221,000	£3,157	75.00	£252,000	£3,360
3-Bed House	84.00	£280,000	£3,333	93.00	£375,000	£4,032
4-Bed House	110.00	£410,000	£3,727	115.00	£480,000	£4,174
5-Bed House	135.00	£500,000	£3,704	155.00	£600,000	£3,871

Source: AspinallVerdi 2025

Table 6.3 Change in Value Assumptions from 2022 Study

Typology	Lower Value		Higher Value	
	<49 Units	>50 Units	<49 Units	>50 Units
1-Bed Flat / House	+£8,000 (£145 psm)	+£8,000 (£177 psm)	+£10,000 (£182 psm)	+£8,000 (+£177 psm)
2-Bed Flat	+£10,000 (£143 psm)	+£9,000 (£150 psm)	+£12,000 (£171 psm)	+£10,000 (+£166 psm)
2-Bed House	+£13,000 (£149 psm)	+£11,000 (+£157 psm)	+£15,000 (+£192 psm)	+£12,000 (+£160 psm)
3-Bed House	+£70,000 (£804 psm)	+£15,000 (£178 psm)	+£70,000 (+£721 psm)	+£60,000 (+£645 psm)
4-Bed House	+£70,000 (£608 psm)	+£35,000 (£318 psm)	+£70,000 (+£608 psm)	+£60,000 (+£387 psm)

Source: AspinallVerdi 2025

7 Older Persons Housing

- 7.1 This section of the report focusses on the Supported Living Housing. We set out our understanding summary of the various type of housing for older people and undertake a high-level review of the current market within the District.

Specialist Accommodation for Older People Defined

- 7.2 We recognise that there are various types of housing for older people, ranging from:
- **Sheltered / Age Exclusive / Retirement Housing** – This is accommodation that is built specifically for sale or rent to older people e.g. McCarthy and Stone or Churchill. They comprise self-contained units (apartments) with communal facilities and a live-in or mobile scheme manager and alarm call systems in case of emergency.
 - **Extra Care / Very Sheltered / Assisted Living Housing (ECH)** - This is similar to the Sheltered Housing, but is designed to enable residents to retain their independence as they grow older and their need for support and/or care increases. Residents still occupy their own self-contained home within blocks of flats, estates of bungalows or retirement 'villages' but often enjoy enhanced communal accommodation and occupants may also be offered individual care and assistance from support staff, within the complex, 24 hours per day.
 - **Close Care or Assisted Living Housing** – This is normally situated within the grounds of a care home and takes the form of self-contained, independent flats or bungalows. Units may be rented or purchased by the occupier. Residents will also have access to the care home's other facilities and will normally have some form of direct communication with the care home, for emergencies. There may well be an arrangement whereby, the care home management will buy-back the property if it becomes necessary for them to move into the care home.
 - **Care Homes / Residential care homes** - Living accommodation for older people and employ staff who provide residents with personal care, such as washing and dressing. Residents normally occupy their own single room but have access to other communal facilities.
 - **Care Homes with Nursing / Nursing Homes** – Similar to a residential home but, they offer the full-time service of qualified nursing. Such accommodation is suited to residents who are physically or mentally less capable and require a higher level of care.
- 7.3 It is important to note that we have only modelled the Sheltered / Age Exclusive / Retirement Housing and Extra Care / Assisted Living Housing schemes.

Specialist Accommodation Market Evidence

- 7.4 We have been unable to identify any recent new-build retirement scheme on the Island. Therefore, we have reviewed Age Restricted / Extra Care Housing Developments which have sold and or have units currently on the market.
- 7.5 We will review the achieved and asking values from these schemes in order to cross-check our previous value assumptions from our May 2022 market paper. The schemes we identified are as follows:
- Somers Brook Court by McCarthy Stone Plus – Newport Market Area
 - Medina Court by McCarthy Stone - Newport Market Area
 - Silver Sands Court by McCarthy Stone - Newport Market Area
- 7.6 These above schemes all fall under the lower value zone. We have not identified any schemes in the higher value zone.
- 7.7 Our previous assumptions from May 2022 have been summarised in below for information.

Table 7.1 – AspinallVerdi Older Persons Value Assumptions May 2022

Property Type	Size (sqm)	Lower Value	Higher Value
Sheltered Housing 1-Bed	50	£150,000 (£3,000 psm)	£190,000 (£3,800 psm)
Sheltered Housing 2-Bed	80	£210,000 (£2,625 psm)	£230,000 (£2,875 psm)
Extra-Care 1-bed	50	£208,125 (£4,163 psm)	£233,750 (£4,675 psm)
Extra-Care 2-bed	80	£277,500 (£3,467 psm)	£281,875 (£3,523 psm)

Source: AspinallVerdi

Somers Brook Court, McCarthy Stone Plus

- 7.8 Somers Brook Court is a McCarthy Stone “Plus” scheme with 58 units and a mix of 1 and 2-bed apartments. This “Plus” scheme is McCarthy Stone’s Extra Care / Assisted Living offer with on-site and non-resident management permanently available. The whole site is wheelchair accessible. The scheme is dated, having been built in 2013.
- 7.9 We identified 13 listings on the market from this scheme, which are summarised below:
- Eight 1-bed Flats from £60,000 to £120,000. Floor areas unavailable.
 - Five 2-bed Flats from £95,000 to £162,000. Floor areas unavailable.
- 7.10 We identified 7 transactions at this scheme since January 2024. These are summarised in Table 7.2.

Table 7.2 – Somers Brook Court Achieved Transactions

Property	Size (sqm)	Achieved Price	£ psm	Listed Date
Apartment 47	77	£150,000	£1,948	26/01/2024
Apartment 29	70	£150,000	£2,143	13/06/2024
Apartment 41	55	£135,000	£2,455	20/12/2024
Apartment 40	72	£130,000	£1,806	31/01/2024
Apartment 6	50	£117,500	£2,350	19/12/2024
Apartment 1	57	£110,000	£1,930	12/07/2024
Apartment 20	53	£90,000	£1,698	17/05/2024

Source: Nimbus Maps / Land Registry

Medina Court, McCarthy Stone

7.11 Medina Court is a McCarthy Stone scheme with 46 units, consisting of 1 and 2-bed flats. The scheme is dated, being built in 2008. Amenities include lounge space, guest facilities, residents garden and a lift on-site. The scheme is for Over 60s.

7.12 We identified 5 listings on the market from this scheme, which are summarised below:

- Four 1-bed Flats from £115,000 to £145,000. Floor areas unavailable.
- One 2-bed Flat for £145,000. Floor area unavailable.

7.13 We identified 2 transactions at this scheme since January 2024. These are summarised in

Property	Size (sqm)	Achieved Price	£ psm	Listed Date
Apartment 8	85	£170,000	£2,000	07/08/2024
Apartment 15	52	£120,000	£2,308	30/08/2024

Source: Nimbus Maps / Land Registry

Silver Sands Court, McCarthy Stone

7.14 Medina Court is a McCarthy Stone scheme on Church Road, Bembridge, Isle of Wight, PO35 5AA. The scheme has 40 units, consisting of 1 and 2-bed flats. The scheme is the newest out of the above comparable schemes, being built in 2025 and benefits from a coastal village location. Amenities include lounge space, guest facilities, residents garden and a lift on-site. The scheme is for Over 60s.

7.15 We identified 5 listings on the market from this scheme, which are summarised below:

- Four 1-bed Flats from £220,000 to £240,000. Floor areas unavailable.
- One 2-bed Flat for £287,500. Floor area unavailable.

7.16 We also identified only one transaction from this scheme from December 2024. This was at £315,000 (£3,989 psm @ 79 sqm). We would assume that this comprises a two bed apartment.

7.17 The higher listed and transactional values from this scheme may be attributed to its relatively newer build quality and coastal location.

Specialist Accommodation Value Assumptions

7.18 Our above research has indicated that present values are still broadly in line with what they were when the 2022 analysis was undertaken. However, we have raised our previous value assumptions for market flats. In line with the principle adopted to uplift those values, we have also uplifted the older persons flats by 5% from 2022. The value assumptions are therefore as follows:

Table 7.3 – AspinallVerdi Older Persons Value Assumptions 2025

Property Type	Size (sqm)	Lower Value	Higher Value
Sheltered Housing 1-Bed	50	£158,000 (£3,160 psm)	£200,000 (£4,000 psm)
Sheltered Housing 2-Bed	80	£220,000 (£2,750 psm)	£242,000 (£3,025 psm)
Extra-Care 1-bed	50	£220,000 (£4,400 psm)	£245,000 (£4,900 psm)
Extra-Care 2-bed	80	£292,000 (£3,650 psm)	£297,000 (£3,713 psm)

8 Affordable Housing Transfer Values

- 8.1 Affordable housing transfer values is the term for the price at which a Registered Provider (RP) will acquire an affordable property from a developer. This price is primarily driven by the tenure of affordable housing, but also the market rents and market values in the locality. This is because the rents and discounts a RP will offer are capped. It is therefore common for values to be based on a percentage of market value.
- 8.2 From Policy H5 - Delivering Affordable Housing, we understand the Council's preferred tenure split for affordable housing is:
- 80% Affordable Rent
 - 20% Intermediate Tenures
- 8.3 We also note that the previous assessment included First Homes. However, as First Homes are no longer required in policy terms and have also been removed from Policy H5 and thus have not been considered in this section.
- 8.4 In our 2022 Viability Assessment, we adopted a set of transfer values based on Policy AFF1 definitions, namely:
- For 1 and 2-bed homes: Up to 70% of market sale/rent value or the Local Housing Allowance, whichever is the lowest;
 - For 3-bed homes: Up to 65% market sale/rent or the Local Housing Allowance, whichever is the lowest;
 - For 4+-bed homes: Up to 50% market sale / rent or the Local Housing Allowance, whichever is the lowest.
- 8.5 In support of these assumptions, we carried out a detailed valuation-based analysis of intermediate tenures (i.e. shared ownership) using a capitalised income approach. This involved scenarios assuming a 50% equity share and a 10% equity share, to calculate transfer values.
- 8.6 The methodology accounted for management costs, yields, and gross rent assumptions, with results ranging from 50% to 75% of market value.
- 8.7 We note that the most recent Hearing representations highlighted that the Policy AFF1 definitions represent policy caps on rent and sale prices, not the actual values that RPs pay. The use of these figures as transfer values therefore risks overstating the capital receipt a developer would receive and therefore the viability of policy-compliant schemes.
- 8.8 However, in the absence of detailed evidence on actual affordable housing acquisitions, particularly for intermediate tenures, we have drawn on the same valuation methodology used in our previous 2021 and 2022 assessments. This includes a capitalisation approach based on

unsold equity and RP yields to derive indicative transfer values for shared ownership units. While informed by policy, our assumptions are rooted in market behaviour and viability testing.

- 8.9 Given the limited availability of new intermediate housing transactions across the Isle of Wight, this approach enables us to make a reasoned and evidence-based assumption that reflects how RPs may assess value. This is consistent with industry practice and ensures our appraisals remain robust and defensible.
- 8.10 For context, in 2021 we adopted the following transfer values for affordable rent and intermediate tenures:
- Affordable Rent at 55% of Market Value
 - Other Intermediate at 65% of Market Value

Affordability on the Isle of Wight

- 8.11 To cross-check the reasonableness of our value assumptions and provide wider context, we have reviewed the Isle of Wight Council's Housing Affordability Tool, which presents data on average household incomes and affordability ratios across different tenure types.
- 8.12 The tool shows that based on the average yearly earnings (£38,380) and the average house price on the market (£302,680), the average house would need to be 56.36% of the market level to be affordable for purchase.²
- 8.13 Similarly, based on the average yearly earnings and the average rent on the Island of £900 pcm, the percentage of income that is spent on housing/rents is 28.14%.³
- 8.14 These figures reinforce the affordability challenge on the Island. They also validate the continued role of affordable housing in supporting local need. The Council's tool provides a useful baseline when triangulated against our own transfer value assumptions.

Intermediate Tenures

- 8.15 For the intermediate tenure, we have assumed these would be shared ownership. We have undertaken the following analysis based on two scenarios of a 50% equity share and a 10% equity share.
- 8.16 Table 8.1 shows the calculation assuming a 50% initial equity share, using our value assumptions for the lower value zone. The key assumptions are that the gross rent is based on an interest rate of 2.75% on the unsold equity, with a 10% (of rent) management and maintenance allowance

² [Affordability to buy](#)

³ [Affordability to rent](#)

deducted to establish the net rent. We have then capitalised the net income using a 5.00% investment yield. The resulting transfer price equates to circa 74.75% of market value.

Table 8.1 – Intermediate Tenure Transfer Value Calculation (50% Shared Ownership)

	1-Bed Flat / House	2-Bed Flat	2-Bed House	3-Bed House	4-Bed House
Market Value	£150,000	£180,000	£225,000	£280,000	£380,000
Initial Equity (50%)	£75,000	£90,000	£112,500	£140,000	£190,000
Rent (on Unsold Equity)	2.75%				
Gross Yearly Rent	£2,063	£2,475	£3,094	£3,850	£5,2
Net Yearly Rent	£1,856	£2,228	£2,784	£3,465	£4,703
Investment Yield	5.00%				
Transfer Price	£112,125	£134,550	£168,188	£209,300	£284,050
% Of Market Value	74.75%				

Source: AspinallVerdi

- 8.17 To provide context of the above, we are aware of the current listings at the Three Oaks development in Newport, PO30 5UP by Sovereign Network Group (SNG) shown below in Table 8.2 below.
- 8.18 These units are 2-bed semi-detached houses, being marketed on a 40% share bases, with a full market value of £260,000. The annual rent totals £3,900, which is 2.5% of the remaining equity if 40% of the property is sold initially.
- 8.19 This observed rent aligns closely with the 2.75% assumption we have applied in our transfer value calculations. This lends support to our adopted approach of using capitalised income to derive shared ownership transfer values, and suggests our assumptions are broadly in line with market norms.

Table 8.2 – Three Oaks Shared Ownership Price List

Plot No.	Property details	Full market value	% share	Share price	Monthly rent
The Wootton					
188	2 bed semi detached 2 parking spaces 80m2	£260,000	40%	£104,000	£325.00
The Barton					
189	2 bed semi detached 2 parking spaces 80m2	£260,000	40%	£104,000	£325.00
190	2 bed semi detached 2 parking spaces 80m2	£260,000	40%	£104,000	£325.00
191	2 bed semi detached 2 parking spaces 80m2	£260,000	40%	£104,000	£325.00

Source: Sovereign Network Group (2025)

- 8.20 If we reduce the initial ownership share from Table 8.1 to 10%, then the impact on the transfer price as a percentage of market value is quite significant, down by 22.5% to 52.5% of market value. This is shown in the calculation set out in **Error! Reference source not found.** – in this we have adjusted the yield upwards by 0.50% to reflect the increased risk associated with the RP owning a greater share and potentially being burdened with more operational cost.

Table 8.3 – Intermediate Transfer Value Calculation (10% Shared Ownership)

	1-Bed Flat / House	2-Bed Flat	2-Bed House	3-Bed House	4-Bed House
Market Value	£150,000	£180,000	£225,000	£280,000	£380,000
Initial Equity (10%)	£15,000	£18,000	£22,500	£28,000	£38,000
Rent (on Unsold Equity)	2.75%				
Gross Yearly Rent	£3,713	£4,455	£5,569	£6,930	£9,405
Net Yearly Rent	£3,341	£4,010	£5,012	£6,237	£8,465
Investment Yield	5.50%				
Transfer Price	£75,750	£90,900	£113,625	£141,400	£191,900
% Of Market Value	50.50%				

Source: AspinallVerdi

- 8.21 To provide context of the above, we are aware of the current listings by SNG. These are for resale units at Sandown House on Snowberry Road, Newport, PO30 5GN. These are as follows:
- 2-bed apartment on a 90% share basis – full market value of £140,000.
 - These units are 2-bed semi-detached houses, being marketed on a 40% share bases, with a full market value of £260,000. The annual rent totals £350, which is 2.5% of the remaining equity if 90% of the property is sold initially.
- 8.22 The calculations we set out above suggest a range of assumptions could be made to value the intermediate tenures, from as low as circa 40% up to 75% of market value. As the new shared ownership lease model does not require all properties to be sold on the basis of a 10% initial share, it will be dependent upon market demand and local affordability.
- 8.23 Based on the analysis above, and reflecting current market and affordability conditions on the Isle of Wight, we consider a blended affordable housing transfer value of 60% of Market Value to be a reasonable and robust assumption for viability testing purposes. This is supported by both capitalised income calculations and market evidence from the Three Oaks development.

Affordable Rent

8.24 The value of affordable rented properties can be assessed by capitalising the rent a Registered Provider is likely to receive. We do this through looking at the Local Housing Allowance (LHA) Rates and benchmarking to 80% of market/private rents. The Office for National Statistics (ONS) records private monthly rents across the different administrative areas in England. We have referred to their data for the average private rents by property size on the Island in June 2025.

8.25 Table 8.4 shows that the LHA rates are below the 80% of market rent range. As a consequence of this, we consider using the LHA rates as the gross rent an RP is likely to achieve as reasonable.

Table 8.4 - Local Housing Allowance Rates and Market Rents Comparison

Type	2025 Weekly Rates	Market Rents	80% of Market Rents
1-Bed	£118.52	£152	£122
2-Bed	£149.59	£200	£160
3-Bed	£187.56	£250	£200
4-Bed	£228.99	£351	£281

Source: Isle of Wight Council and ONS (2025)

8.26 Table 8.5 shows the affordable rent transfer price calculation for the lower value zone. We have made a 20% deduction from the gross rent (based on the above LHA rates) for management, repairs, voids and bad debts to get a net rental figure per annum. We capitalised the net rent at a 5.0%.yield.

Table 8.5 – Capitalisation of Affordable Rents (Lower Value Zone Values)

	1 Bed Flat / House	2 Bed Flat	2 Bed House	3 Bed House	4-Bed House
Gross weekly rent*	£118.52	£149.59	£187.56	£187.56	£228.99
Gross yearly rent	£6,163	£7,779	£9,753	£9,753	£11,907
Net yearly rent	£4,746	£5,990	£7,510	£7,510	£9,169
Value (at 5.0% yield)	£94,911	£119,792	£150,198	£150,198	£183,375
% Of Market Value	55.00	70.00	72.00	87.00	115.00
Value (at 4.5% yield)	£1,726	£1,711	£2,086	£1,726	£1,595
% Of Market Value	63%	67%	67%	54%	48%

Source: AspinallVerdi

- 8.27 This shows that transfer prices could range between a 48-67% deduction from market value. However, we note that affordability on the Island remains a significant constraint. As such, values at the upper end of this range may still require sensitivity testing in marginal schemes or where local incomes are particularly constrained.
- 8.28 Based on the analysis above, and having regard to both the capitalised income approach and broader market context, we consider a blended transfer value assumption of 55% of Market Value for the Affordable Rent tenure to be appropriate. This reflects the midpoint of the value range identified.

Summary of Transfer Value Assumptions

- 8.29 In summary, we have adopted the following transfer value assumptions:

- Affordable Rent at 55% of Market Value
- Other Intermediate at 60% of Market Value

Appendix 4 – Land Market Paper

Accessible Report



Isle of Wight Council Whole Plan Viability

Land Value Paper

July 2025

Quality Assurance

Date of Report	July 2025
Version	V1
Filename and path	S:_Client Projects\1807 Isle of Wight Whole Plan Viability Study_Isle of Wight Council\2506 WPV Update_Reports\2506 Land Market Paper Update\250725 Land Market Paper Update v1 DRAFT.docx
Prepared by	Harvey Garrett, Consultant
Checked by	Daniel Starkey, Associate Director
Date	25 July 2025
Authorised by	Atam Verdi, Executive Director
Date	25 July 2025

Limitation

This report has been prepared on behalf of and for the exclusive use of Aspinall Verdi Limited's Client and it is subject to and issued in connection with the provisions of the agreement between Aspinall Verdi Limited and its Client. Aspinall Verdi Limited accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.

Contents

Executive Summary

Report

1	Introduction	1
2	Land Value Approach	2
3	UK Land Context	7
	Development Land	7
	Agricultural Land	8
4	Existing Evidence Base Review	10
	AspinallVerdi, Isle of Wight Plan Viability Study, November 2018	10
	AspinallVerdi, Isle of Wight Plan Viability Study, August 2021	12
	AspinallVerdi, Isle of Wight Plan Viability Study, July 2022	13
	Evidence Summary	13
5	Agricultural Land Market	15
	Agricultural Land Values	15
	Paddock Land Values	17
6	Development Land Market	18
	Greenfield Development Land	18
	Brownfield Development Land	20
7	Benchmark Land Value Assumptions	22
	Benchmark Land Value Caveats	23

Tables & Figures

Figure 2.1 - Development Viability	2
Figure 2.2 - Balance Between RLV and BLV	3
Figure 2.3 - Indicative Land Value Hierarchy	4
Figure 2.4 - Benchmark Land Value Approaches	5
Figure 3.1 - Savills UK Greenfield and Urban Residential Land Value Index	7
Figure 3.2 - Average Agricultural Land Values Per Acre	8
Table 3.1 - South East Land Values (by type)	9
Figure 3.3 - Land Values by Land Type	9
Table 4.1 – 2018 Greenfield land values – Higher Value Area	10
Table 4.2 – 2018 Greenfield land values – Lower Value Area	10
Table 4.3 – 2018 Brownfield land values – Higher Value Area	11
Table 4.4 – 2018 Brownfield land values – Lower Value Area @ £250,000 per gross ha	11
Table 4.5 – Isle of Wight Viability BLV Assumptions, 2021	12
Table 4.6 – Isle of Wight Viability BLV Assumptions, 2022	13

Figure 5.1 - Agricultural Land Classification Map	15
Table 5.1 - Agricultural Land Evidence	16
Table 6.1 – Greenfield Residential Development Land Figures	18
Table 6.2 - Brownfield Residential Development Land Figures	20
Table 7.1 - Benchmark Land Value Assumptions	1

1 Introduction

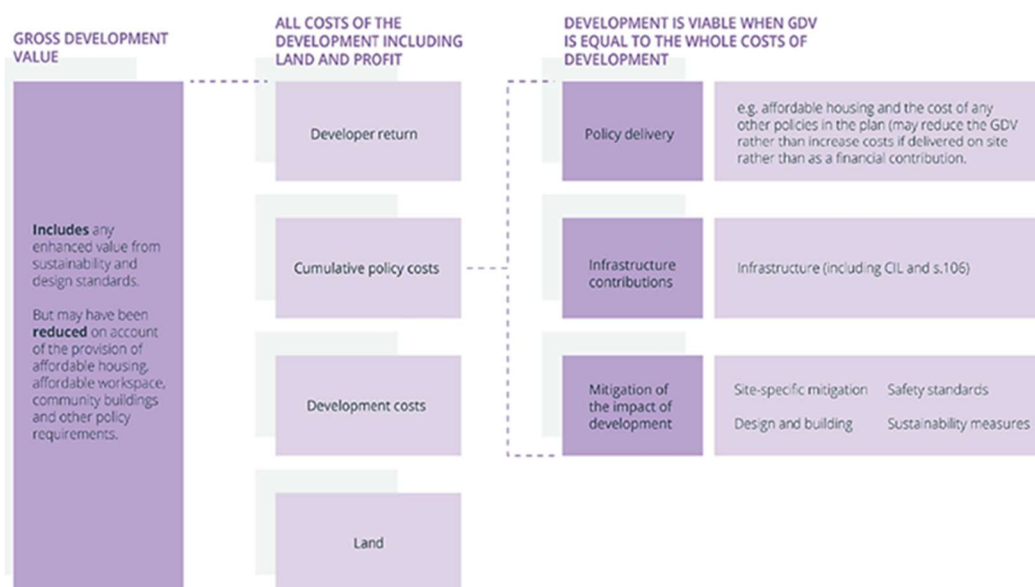
- 1.1 The (benchmark) land value assumption(s) are fundamental in terms of Local Plan Viability. This land value paper sets out our approach to land values for the wider Viability Assessment. The viability assessment is discussed in our separate, main viability report.
- 1.2 This report sets out the Benchmark Land Values (BLV) found across the Isle of Wight. This report acts as an addendum to our main viability appraisal report. We set out below our approach to land values for the viability assessment, before reviewing land values across the Island in order to inform our assumptions for the BLV used in the appraisals.
- 1.3 The purpose of this study is to provide an update to the most recent 2022 viability assessment which AspinallVerdi prepared, reflecting changes to the National Planning Policy Framework (NPPF) and the Viability Planning Practice Guidance (PPG), as well as offering an up-to-date analysis of current land values.
- 1.4 We set out below our approach to land values for the viability assessment, followed by a review of land values across the Island to inform the BLV assumptions used in the appraisals.
- 1.5 This paper includes the following sections:

2) Land Value Approach	This section summarises our approach to the BLV. It should be read in conjunction with the more detailed discussion and analysis in the main Viability report.
3) UK Land Context	This section provides contextualises land values at a national and regional level. This includes development land as well as agricultural land to gain a better understanding of benchmark land values.
4) Existing Evidence Base Review	In this section we review the existing evidence base with regard to land values from previous viability studies.
5) Agricultural Land Market	This section sets out the market information for agricultural land values across the Borough.
6) Development Land Market	This section sets out development land value evidence (i.e., from land that has either obtained planning permission or has outline planning consent for and/or is allocated for development).
7) Benchmark Land Value Assumptions	Finally, we set out our BLV assumptions. These are derived from the above research and interrogation of our confidential land value database.

2 Land Value Approach

- 2.1 In a development context, the land value is calculated using a residual approach – the Residual Land Value (RLV).
- 2.2 The RLV is calculated by the summation of the total value of the development, less the development costs, planning obligations, developers return/profit to give the land value. This is illustrated in Figure 2.1 below.

Figure 2.1 - Development Viability

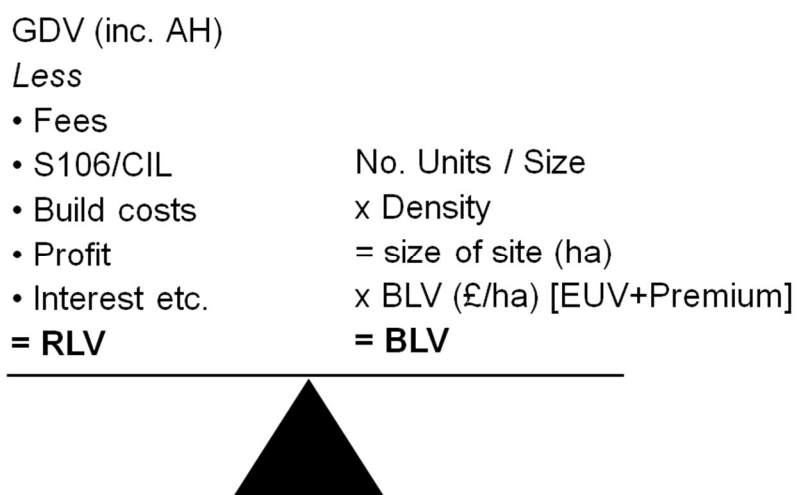


Source: RICS - Assessing viability in planning under the NPPF 2019 for England, March 2021

- 2.3 The above figure illustrates that development is only viable on a policy compliant basis if the cumulative policy costs (i.e., affordable housing, policy delivery, infrastructure contributions and mitigation measures) have sufficient 'headroom'.
- 2.4 In order to determine whether development is viable in the context of area-wide studies, the NPPF is silent on the requirements of landowners and developers. It now simply states that, 'all viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available'.
- 2.5 The PPG Viability provides guidance on the land values and particularly benchmark land values for the purposes of viability assessment:
 - How should land value be defined for the purpose of viability assessment? – 'a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner'. Paragraph: 0013 Reference ID: 10-013-20190509 Revision date: 09 05 2019

- What factors should be considered to establish benchmark land value? – ‘In plan making, the landowner premium should be tested and balanced against emerging policies.’ Paragraph: 014 Reference ID: 10-014-20190509, Revision date: 09 05 2019
 - What is meant by existing use value in viability? ‘EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development)’. Paragraph: 015 Reference ID: 10-015-20190509, Revision date: 09 05 2019
 - How should the premium to the landowner be defined for viability assessment? – ‘The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.’ Paragraph: 016 Reference ID: 10-016-20190509, Revision date: 09 05 2019
- 2.6 The above PPG guidance is described in detail in the main report (section on National Policy Context). The PPG does not provide any guidance on the quantum of premiums. One therefore has to ‘triangulate’ the BLV based on market evidence.
- 2.7 In this respect we have created a database of Charnwood land value evidence and we are able to interrogate this by evidence source, value basis and zone.
- 2.8 Hence for plans and schemes to be viable, the RLV has to be tested against the benchmark which would enable sites to come forward – the Benchmark Land Value (BLV). This is illustrated in the following diagram (Figure 2.2)

Figure 2.2 - Balance Between RLV and BLV

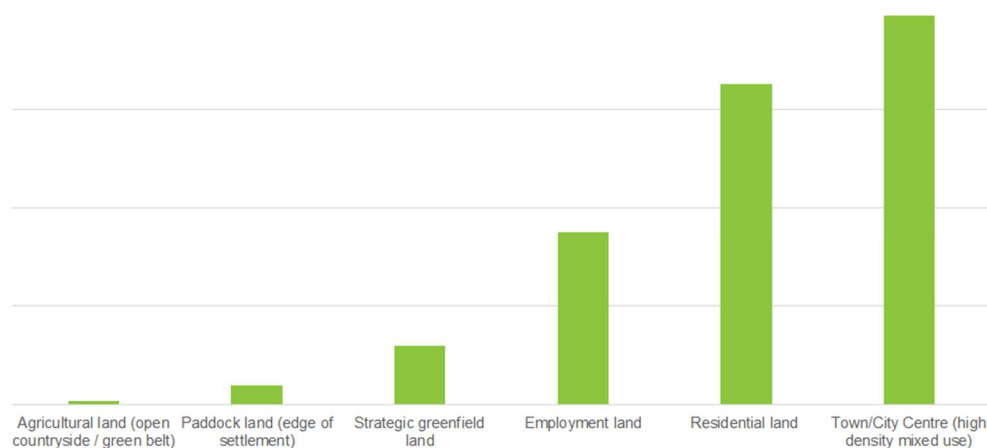


Source: AspinallVerdi (© Copyright)

- 2.9 The fundamental question is, ‘what is the appropriate BLV?’ The land market is not perfect but there is a generally accepted hierarchy of values based on the supply and

demand for different uses. This is illustrated on an indicative basis in the following chart (Figure 2.3)

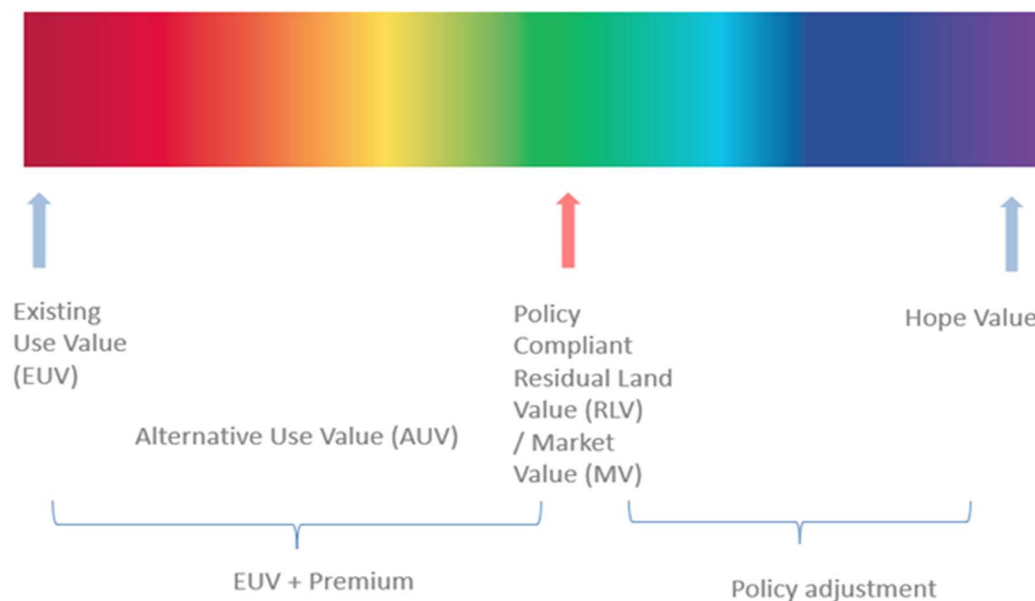
Figure 2.3 - Indicative Land Value Hierarchy



Source: AspinallVerdi (© Copyright)

- 2.10 Note that the value of individual sites depends on the specific location and site characteristics. In order for development to take place (particularly in the brownfield land context) the value of the alternative land use has to be significantly above the existing use value to cover the costs of site acquisition and all the cost of redevelopment (including demolition and construction costs) and developers profit / return for risk. In an area-wide context we can only be broad-brush in terms of the BLV as we can only appraise a representative sample of hypothetical development typologies.
- 2.11 Note also that some vendors have different motivations for selling sites and releasing land. Some investors (e.g., Oxbridge colleges) take a very long-term view of returns, whereas other vendors could be forced sellers (e.g. when a bank forecloses).
- 2.12 Finally, 'hope value' has a big influence over land prices. Hope value is the element of value in excess of the existing use value, reflecting the prospect of some more valuable future use or development. The PPG specifically states that hope value (and the price paid) should be disregarded from the EUV. However, hope value is a fundamental part of the market mechanism and therefore is relevant in the context of the premium.
- 2.13 The diagram below (Figure 2.4) illustrates these concepts. It is acknowledged that there has to be a premium over EUV in order to incentivise the landowner to sell. This 'works' in the context of greenfield agricultural land, where the values are well established, however, it works less well in urban areas where there is competition for land among a range of alternative uses. It begs the question EUV "for what use?" It is impossible to appraise every single possible permutation of the existing use (having regard to any associated legacy costs) and development potential.

Figure 2.4 - Benchmark Land Value Approaches



Source: AspinallVerdi (© Copyright)

2.14 There is very little specific guidance on premiums. The main guidance and references are set out in section 4 of the main report - Guidance on Premiums/Land Value Adjustments. The main references are:

- RICS, Assessing Viability in Planning under the National Planning Policy Framework 2019 for England, March 2021 (effective from 01 July 2021)
- Local Housing Delivery Group Chaired by Sir John Harman, 20 June 2012, Viability Testing Local Plans, Advice for planning practitioners (The Harman Report)
- HCA Transparent Viability Assumptions (August 2010)
- Planning Inspectorate, 15 May 2020, Examination of the Shared Strategic Section 1 Plan - North Essex Authorities, Inspector's Post-Hearing Letter to North Essex Authorities
- Parkhurst Road v SSCLG & LBI, Before MR JUSTICE HOLGATE Between: Parkhurst Road Limited Claimant - and - Secretary of State for Communities and Local Government and The Council of the London Borough of Islington Defendant/s, Case No: CO/3528/2017
- House of Commons Housing, Communities and Local Government Committee Land Value Capture Tenth Report of Session 2017–19 HC 766 Published on 13 September 2018 by authority of the House of Commons
- Appeal Decision, Appeal Ref: APP/Q4245/W/19/3243720, Land at Warburton Lane, Trafford by Christina Downes BSc DipTP MRTPI an Inspector appointed by the Secretary of State for Communities and Local Government Decision date: 25th January 2021

- 2.15 In this context, the Harman report *'allows realistic scope to provide for policy requirements and is capable of adjusting to local circumstances by altering the percentage of premium used in the model. The precise figure that should be used as an appropriate premium above current use value should be determined locally. But it is important that there is [Market Value] evidence that it represents a sufficient premium to persuade landowners to sell'.¹*
- 2.16 The HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions) is the only source of specific guidance on the size of the premium. The guidance states:
- There is some practitioner convention on the required premium above EUV, but this is some way short of consensus and the views of Planning Inspectors at Examination of Core Strategy have varied. Benchmarks and evidence from planning appeals tend to be in a range of **10% to 30% above EUV in urban areas**. For **greenfield land, benchmarks tend to be in a range of 10 to 20 times agricultural value.**² Note that this does not make any reference to the multipliers on a net- or gross- development area basis.
- 2.17 Greater emphasis is now being placed on the existing use value (EUV) + premium approach to planning viability to break the circularity of ever-increasing land values. Due to increasing land values (partly driven by developers negotiating a reduction in policy obligations on grounds of 'viability'), we are finding that the range between existing use value (EUV) and 'Market Values' and especially asking prices is getting larger. Therefore (say) 20 x EUV and (say) 25% reduction from 'Market Value' may not 'meet in the middle' and it is therefore a matter of professional judgement what the BLV should be (based on the evidence). Our BLVs are set out in Table 7.1 at the end of this paper.
- 2.18 In order to provide comprehensive analysis, we also set out a variety of sensitivities in terms of changes to the BLV (and other) assumptions. These are shown for each of the typologies on the appraisals appended (with an explanation of how to interpret the sensitivities in the Main Viability Assessment report).

¹ Viability Testing Local Plans Advice for planning practitioners - Local Housing Delivery Group - Chaired by Sir John Harman (June 2012), page 29

² HCA Area Wide Viability Model (Annex 1 Transparent Viability Assumptions), August 2010, Transparent Assumptions v3.2 06/08/10

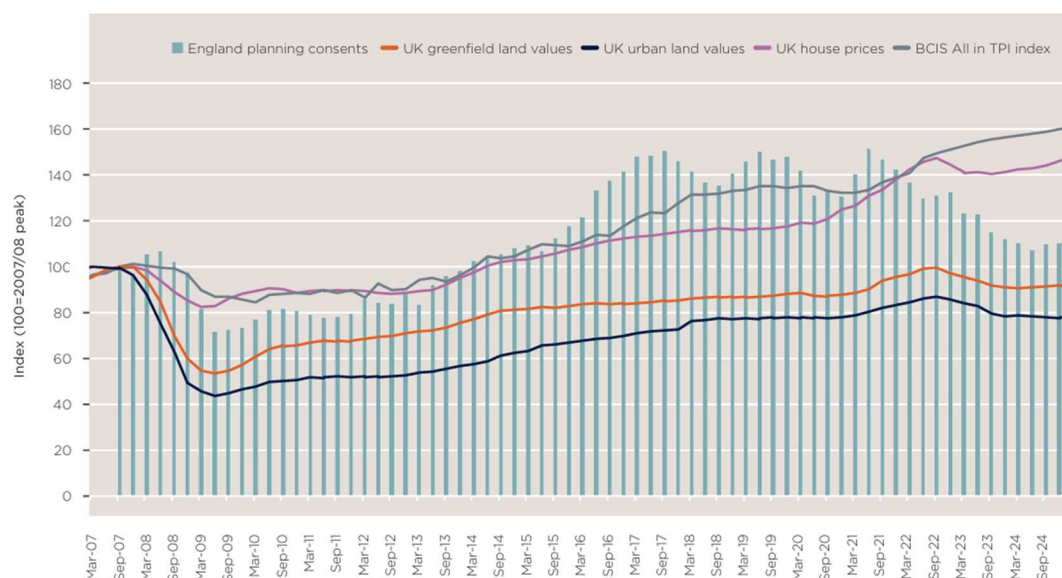
3 UK Land Context

- 3.1 This section provides some background context to land values at a national and regional level. We have included both development and agricultural land.

Development Land

- 3.2 Figure 3.1 is taken from Savills Research on the residential land market in its Q1 2025 update. The headline is that the development land market has remained steady over the last quarter, with relatively robust sentiment, a similar number of bidders, and little movement in bid values. Greenfield land values softened slightly by -0.1% in Q1 2025, following a 0.5% increase in Q4 2024, bringing total annual growth to 1.3%. In contrast, urban land values declined by -1.0% in Q1 2025, resulting in a -1.9% annual decrease.
- 3.3 Savills reports that greenfield land values are broadly stable, supported by strong demand in certain regions and early signs of increased land supply. However, the market remains cautious due to ongoing economic uncertainty. Recent revisions to the National Planning Policy Framework (NPPF), confirmed in December 2024, are beginning to influence landowner behaviour, with more sites being brought forward. Planning consents remain significantly below their 2021 peak, though agent sentiment suggests activity is at its highest level since Q1 2017.

Figure 3.1 - Savills UK Greenfield and Urban Residential Land Value Index



Source: Savills, 'Market in Minutes – Residential Development Land', Q1 2025

- 3.4 The slight increase in greenfield land values over the past year reflects robust demand in markets such as the North, Scotland, and Wales, where pricing has been more resilient. Developers are becoming more selective, focusing on high-quality, well-located sites. Meanwhile, there is heightened appetite for strategic land, particularly in

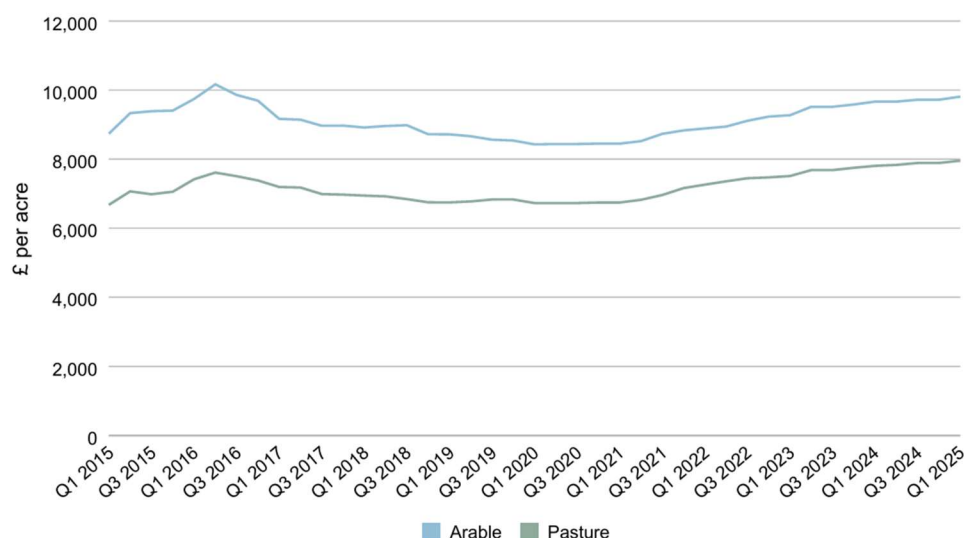
the South East, as promoters look to secure positions on grey belt sites in anticipation of long-term planning gains.

- 3.5 In contrast, urban land values continue to face downward pressure due to ongoing viability challenges, high build costs, and weakening demand for high-density flatted schemes. Brownfield sites are especially affected by mounting cost burdens, including build cost inflation and new levies such as the Building Safety Levy (announced to take effect in Autumn 2026). These headwinds are limiting what parties are willing to pay for land and are contributing to weaker sentiment in the urban development land market.

Agricultural Land

- 3.6 Whilst understanding the development land market is important, with the changes to the PPG on viability, exploring agricultural land values is equally important to understand where there are new greenfield sites released for development.
- 3.7 Agricultural land values across the South East, including the Isle of Wight, have continued to demonstrate long-term resilience and investor interest. In Q1 2025, values remained firm, underpinned by constrained supply and stable demand from commercial farming and lifestyle purchasers. As shown in Figure 3.2, both arable and pasture values in the South East have maintained upward pressure despite broader economic volatility.

Figure 3.2 - Average Agricultural Land Values Per Acre



Source: Carter Jonas, Farmland Market Update, Q1 2025

- 3.8 Table 3.1 displays land values by type in the South East as of Q1 2025. These values reflect both market confidence and an increasingly polarised market, where prime and lifestyle assets achieve a substantial premium.

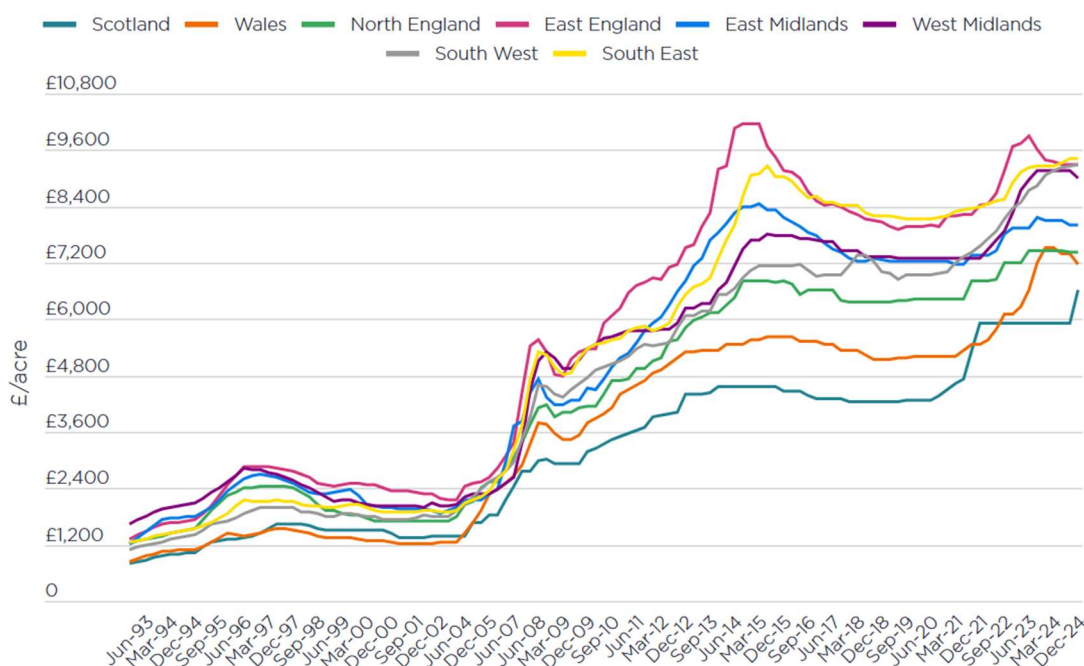
Table 3.1 - South East Land Values (by type)

Land Type	Low (£/acre)	Prime (£/acre)	Average (£/acre)
Arable	£9,000	£12,500	£10,750
Pasture	£8,000	£9,500	£9,000
Lifestyle	£16,000	£35,000	£22,500

Source: Carter Jonas, Farmland Market Update, Q1 2025

- 3.9 Additionally, Figure 3.3 below, sourced from Savills, presents the trend in average farmland values by land type since 1992. The data shows that prime arable land has consistently commanded the highest values, with significant divergence between land grades widening notably since 2005. Most land types experienced strong growth until around 2015, followed by a period of volatility. Since 2020, values have rebounded, particularly for high-grade arable and lifestyle land.

Figure 3.3 - Land Values by Land Type



Source: Savills Rural Land Values, June 2025

4 Existing Evidence Base Review

4.1 We have undertaken a review of our existing evidence base in regard to land values, this includes:

- AspinallVerdi, Isle of Wight Plan Viability Study, November 2018
- AspinallVerdi, Isle of Wight Plan Viability Study, August 2021
- AspinallVerdi, Isle of Wight Plan Viability Study, July 2022

AspinallVerdi, Isle of Wight Plan Viability Study, November 2018

4.2 In 2018, AspinallVerdi prepared a land market review as part of the Isle of Wight Plan Viability Study. This established a set of benchmark land values (BLVs) across a range of site typologies and value areas, forming the baseline evidence for subsequent viability assessments.

4.3 The tables below set out our benchmark land values from our previous work for the respective site typologies.

Table 4.1 – 2018 Greenfield land values – Higher Value Area

Number of units	Gross site area ha	Assumed gross to net	Net site area ha	Total site value	Land value £ per net hectare	Land value £ per net acre
10	0.67	100%	0.67	£270,000	£400,000	£160,000
20	1.33	80%	1.07	£532,000	£500,000	£200,000
35	2.33	80%	1.87	£532,000	£500,000	£200,000
100	6.67	75%	5.00	£2,668,000	£534,000	£215,000
9	Rural exc. site	100%		£90,000	Based on £10,000 per plot	

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2018)

Table 4.2 – 2018 Greenfield land values – Lower Value Area

Number of units	Gross site area ha	Assumed gross to net	Net site area ha	Total site value	Land value £ per net hectare	Land value £ per net acre
10	0.67	100%	0.67	£167,500	£250,000	£100,000
20	1.33	80%	1.07	£332,500	£310,000	£126,000
35	2.33	80%	1.87	£582,500	£310,000	£126,000

100	6.67	75%	5.00	£1,667,500	£333,500	£135,000
400	26.67	70%	18.67	£6,667,500	£357,000	£145,000
800	53.33	50%	26.67	£13,332,500	£500,000	£200,000

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2018)

Table 4.3 – 2018 Brownfield land values – Higher Value Area

Number of units	Site area net hectares @ 40 dph	Assumed gross to net	Net site area ha	Total site value	Land value £ per net hectare	Land value £ per net acre
12	0.30	100%	0.30	£90,000	£300,000	£120,000
20	0.50	80%	0.40	£150,000	£375,000	£150,000
50	1.25	80%	1.00	£375,000	£375,000	£150,000
100	2.50	75%	1.88	£750,000	£400,000	£160,000
150 (apartments)	1.15 (130 dph)	75%	0.87	£461,538	£400,000	£160,000

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2018)

Table 4.4 – 2018 Brownfield land values – Lower Value Area @ £250,000 per gross ha

Number of units	Site area net hectares @ 40 dph	Assumed gross to net	Net site area ha	Total site value	Land value £ per net hectare	Land value £ per net acre
12	0.30	100%	0.30	£75,000	£250,000	£100,000
20	0.50	80%	0.40	£125,000	£312,500	£126,000
50	1.25	80%	1.00	£312,500	£312,500	£126,000
100	2.50	75%	1.88	£625,000	£333,333	£135,000

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2018)

4.4 In summary, AspinallVerdi identified the following benchmark land values for the Isle of Wight:

- Greenfield residential land values ranged from £100,000 to £216,000 per acre (£250,000 to £534,000 per hectare)

- Brownfield residential land values ranged from £100,000 to £160,000 per acre (£250,000 to £400,000 per hectare).

AspinallVerdi, Isle of Wight Plan Viability Study, August 2021

- 4.5 In 2021, AspinallVerdi updated the land value evidence to reflect market changes since the 2018 assessment. This refreshed analysis informed revised BLV assumptions for the viability testing undertaken at that time.
- 4.6 Table 4.5 below sets out our benchmark land values from our previous work on the Isle of Wight Plan Viability Study 2021, for the respective site typologies.

Table 4.5 – Isle of Wight Viability BLV Assumptions, 2021

Typology	Location	Type	EUV				Uplift x [X] x [Y]%	BLV	
			(per acre) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net dev.) (rounded)	(per ha) (net dev.) (rounded)
Smaller Residential (<10 units)	Lower Value Area	Greenfield	£7,000	100%	£7,000	£17,297	14.3	£100,000	£247,100
Smaller Residential (11-49 units)	Lower Value Area	Greenfield	£7,000	75%	£9,333	£23,063	12.3	£115,000	£284,165
Smaller Residential (11-49 units)	Higher Value Area	Greenfield	£7,000	75%	£9,333	£23,063	18.8	£175,000	£432,425
Larger Residential (50-200 units)	Lower Value Area	Greenfield	£7,000	65%	£10,769	£26,611	12.5	£135,000	£333,585
Larger Residential (50-200 units)	Higher Value Area	Greenfield	£7,000	65%	£10,769	£26,611	20.0	£215,000	£531,265
Strategic Sites	Lower Value Area	Mixed	£7,000	50%	£14,000	£34,594	14.3	£200,000	£494,200
Smaller Residential (<10 units)	Lower Value Area	Brownfield	£90,000	100%	£90,000	£222,390	11.1%	£100,000	£247,100
Smaller Residential (11-49 units)	Lower Value Area	Brownfield	£90,000	80%	£112,500	£277,988	11.1%	£125,000	£308,875
Smaller Residential (11-49 units)	Higher Value Area	Brownfield	£100,000	80%	£125,000	£308,875	20.0%	£150,000	£370,650
Larger Residential (50-200 units)	Lower Value Area	Brownfield	£90,000	75%	£120,000	£296,520	12.5%	£135,000	£333,585
Larger Residential (50-200 units)	Higher Value Area	Brownfield	£100,000	75%	£133,333	£329,467	20.0%	£160,000	£395,360
Rural Exception Sites	Island Wide	Greenfield	n/a					£10,000 per plot	

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2021)

- 4.7 In summary, AspinallVerdi identified the following land values for the Isle of Wight:
- Greenfield residential land values ranged from £100,000 per acre (£247,100 per hectare) in lower value areas for smaller sites, up to £215,000 per acre (£531,265 per hectare) for larger sites in higher value areas.
 - Brownfield residential land values ranged from £100,000 per acre (£247,100 per hectare) to £160,000 per acre (£395,360 per hectare), reflecting stronger values in higher value locations and for larger sites.
 - Strategic sites in lower value areas were benchmarked at £200,000 per acre (£494,200 per hectare).
 - Rural exception sites were assigned a nominal value of £10,000 per plot, consistent with affordable housing-led delivery.

AspinallVerdi, Isle of Wight Plan Viability Study, July 2022

- 4.8 A further update was undertaken in 2022 to reflect prevailing market conditions and ensure the BLV assumptions remained current and robust. The study reaffirmed the typology-based approach and incorporated appropriate uplifts over EUV in line with PPG.
- 4.9 Table 4.6 below sets out our benchmark land values from our previous work on the Isle of Wight Plan Viability Study 2022, for the respective site typologies.

Table 4.6 – Isle of Wight Viability BLV Assumptions, 2022

Typology	Location	Greenfield /Brownfield	EUV -					Uplift Multiplier x [X] x [Y]%	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net developable) (rounded)	(per ha) (net developable)
Smaller Residential (<10 units)	Lower Value Area	Greenfield	£7,500	£18,533	100%	£7,500	£18,533	13.3	£100,000	£247,100
Smaller Residential (11-50 units)	Lower Value Area	Greenfield	£7,500	£18,533	75%	£10,000	£24,710	11.5	£115,000	£284,165
Smaller Residential (11-50 units)	Higher Value Area	Greenfield	£7,500	£18,533	75%	£10,000	£24,710	17.5	£175,000	£432,425
Larger Residential (51-200 units)	Lower Value Area	Greenfield	£7,500	£18,533	65%	£11,538	£28,512	11.7	£135,000	£333,585
Larger Residential (51-200 units)	Higher Value Area	Greenfield	£7,500	£18,533	65%	£11,538	£28,512	18.6	£215,000	£531,265
Strategic Sites	Lower Value Area	Mixed	£7,500	£18,533	50%	£15,000	£37,065	13.3	£200,000	£494,200
Smaller Residential (<10 units)	Lower Value Area	Brownfield	£90,000	£222,390	100%	£90,000	£222,390	11.1%	£100,000	£247,100
Smaller Residential (11-50 units)	Lower Value Area	Brownfield	£90,000	£222,390	80%	£112,500	£277,988	11.1%	£125,000	£308,875
Smaller Residential (11-50 units)	Higher Value Area	Brownfield	£100,000	£247,100	80%	£125,000	£308,875	20.0%	£150,000	£370,650
Larger Residential (51-200 units)	Lower Value Area	Brownfield	£90,000	£222,390	75%	£120,000	£296,520	12.5%	£135,000	£333,585
Larger Residential (51-200 units)	Higher Value Area	Brownfield	£100,000	£247,100	75%	£133,333	£329,467	20.0%	£160,000	£395,360
Rural Exception Sites	Island Wide	Greenfield	£10,000 per plot							

Source: AspinallVerdi (Isle of Wight Benchmark Land Values, 2022)

- 4.10 In summary, AspinallVerdi identified the following land values for the Isle of Wight:
- Greenfield residential land values ranged from £100,000 per acre (£247,100 per hectare) for smaller sites in lower value areas, up to £215,000 per acre (£531,265 per hectare) for larger sites in higher value locations. Strategic sites in lower value areas were benchmarked at £200,000 per acre (£494,200 per hectare).
 - Brownfield residential land values ranged from £100,000 per acre (£247,100 per hectare) to £160,000 per acre (£395,360 per hectare), with the highest values applied to larger sites in higher value areas. Uplifts of 11–20% over EUV were used depending on site type and location.
 - Rural exception sites were assigned a nominal benchmark value of £10,000 per plot, consistent with policy-compliant affordable housing delivery.

Evidence Summary

- 4.11 Since our first study in 2018, land values have shifted only marginally across the Isle of Wight. In our most recent update in 2022, greenfield land values in higher value areas

typically ranged from £175,000 to £215,000 per net developable acre, compared to a 2018 range of £160,000 to £215,000 per acre. This indicates broadly flat values in nominal terms, with slight increases for smaller sites but a small reduction at the upper end. Brownfield land values showed a similar pattern, with 2022 values ranging from £125,000 to £160,000 per acre, broadly in line with the 2018 benchmarks of £100,000 to £160,000 per acre. Rural exception site values remained unchanged at £10,000 per plot.

- 4.12 It was noted in the 2022 study that the value assumptions established within that study were relatively the same as those in 2018 with a slight uplift to account for the rise in values shown in Savills Research. This helped to justify the slight rise in lower-end greenfield values and maintained alignment with market evidence.

5 Agricultural Land Market

- 5.1 When determining a value per acre / hectare (ha) for agricultural land, we have searched for transactional evidence using CoStar, Nimbus and Rightmove for current quoting prices and local agent websites. We have consulted on the land values with local agents and stakeholders.
- 5.2 Figure 5.1 shows the agricultural land classifications across the Isle of Wight. The majority of the Island is classified as Grade 3, indicating moderate-quality agricultural land.

Figure 5.1 - Agricultural Land Classification Map



Source: Nimbus Maps, July 2025

- 5.3 Higher quality Grade 2 agricultural land is limited to isolated pockets to the south east and west of Newport. In contrast, lower quality Grade 4 and 5 land is more prevalent in the south, southwest, and northwest of the island, presenting greater constraints to productive agricultural use.

Agricultural Land Values

The table below presents land value evidence for greenfield agricultural land based on existing use value (EUV). While no transactional evidence was identified within the past three years, we did find 12 plots currently being marketed.

Table 5.1 - Agricultural Land Evidence

Address	Postcode	Type	Size (Acre)	Asking Price	£ per acre	£ per ha
Land at Havenstreet	PO33 4DS	Greenfield	1.75	£80,000	£45,714	£112,961.58
Lodge Farm, Westover, Calbourne	PO30 4JN	Greenfield	5.39	£80,000	£14,842	£36,675.32
Lot 3, Street Place Farm, Quarry Land, Calbourne	PO30 4LA	Greenfield	8.80	£95,000	£10,795	£26,674.98
Land South of Quarry Lane, Calbourne	PO30 4LA	Greenfield	8.98	£125,000	£13,920	£34,397.02
Hamstead Land, Cranmore,	PO41 0YD	Greenfield	9.4	99000	£10,532	£26,025.1
Lot 2 - Deacons Lane, Ashley , Ryde	PO33 4BT	Greenfield	10.68	£295,000	£27,622	£68,255.34
Land at Gravelly Ground, Elm Lane, Calbourne	PO30 4LA	Greenfield	14.99	£170,000	£11,341	£28,024.18
Heytesbury Farm, Worsley Road, Newport	PO30 5JB	Greenfield	19.28	£290,000	£15,041	£37,167.06
Land At Renham Down, Shorwell	PO30 3JG	Greenfield	27.00	£195,000	£7,222	£17,845.92
Lot 2, Street Place Farm, Quarry Land, Calbourne	PO30 4LA	Greenfield	33.60	£290,000	£8,631	£21,327.63
Land to the East, Long Lane, Newport	PO30 2NW	Greenfield	38.19	£845,000	£22,126	£54,674.45
Great Park Farm	PO30	Greenfield	550.64	£4,500,000	£8,172	£20,193.42

Source: AspinallVerdi, July 2025

- 5.4 Our analysis has identified 12 sites currently being marketed for sale across the Isle of Wight, which provide a relevant indication of asking prices for agricultural land on the Island. The sites range in size from as little as 1.75 acres to 550.64 acres. The asking

prices per acre vary significantly, from £7,222 to £45,714 per acre, with an average of £15,078 per acre.

- 5.5 The highest £/acre value is represented by Land at Havenstreet (PO33 4DS), being marketed at £45,714 per acre. This site is just 1.75 acres in size and is located near existing residential areas. A smaller site is perhaps expected to achieve greater values due to demand from residents nearby.
- 5.6 Excluding the Havenstreet site from the analysis, the average asking price reduces to £13,359 per acre, which we consider to be a more reliable indicator of market expectations for larger, more conventional agricultural holdings on the Isle of Wight. This adjusted figure reflects the typical value range observed in the majority of sites, many of which cluster between £8,000 and £15,000 per acre.
- 5.7 As a sense check, we also reviewed the most recent RICS/RAU Farmland Market Report and the Farmland Market Directory of Land Prices (2025); however, no sales were recorded

Paddock Land Values

- 5.8 We classify paddock land as small-scale (i.e., generally less than 1 acre or thereabouts) 'pony paddock' / 'lifestyle' greenfield land which is on the edge of an existing settlement. This type of land typically has 'hope value' attached, perhaps due to a lapsed extant planning permission on the site; or a neighbouring site that has been identified as one with development potential.
- 5.9 As noted above, paddock land differs from agricultural land in that it comprises smaller plots of around an acre or smaller, depending on location, which are generally located on the edges of existing settlements or adjacent to sites that have been identified as having development potential.
- 5.10 We have been unable to identify any transactional or market evidence relating specifically to paddock land on the Isle of Wight that would enable a robust analysis of its market value. This may reflect the limited number of such sites being brought to market, a lack of publicly recorded transactions, or the fact that these sales are often conducted privately and are not openly advertised. In the absence of comparable evidence, it is not possible to draw any definitive conclusions regarding the value of such land in this locality.

6 Development Land Market

- 6.1 For the purpose of this research, development land is land which has either obtained planning permission or has outline planning consent and/or is allocated for development within the Council's adopted policy documents.
- 6.2 As with agricultural land, we have utilised Nimbus and CoStar for transaction-based evidence and supplemented this where possible with stakeholder evidence of agreed prices paid for land. We have also noted sites currently listed on Rightmove and local agent websites to determine a value per acre/hectare and a value on a per unit basis. Dependent upon the availability of information and stakeholder engagement, this process tries to gauge an understanding of what typical market values are for residential land (greenfield and/or brownfield).
- 6.3 Careful consideration has to be given to whether the values are aspirational and/or may not represent policy-compliant market values. It should be noted that within our database of evidence we have carried out background research wherever possible into the planning consent the site has, and whether that is policy compliant or not. More weight is given to evidence which is policy compliant. However, it is difficult to be certain that developers have not offered values (and landowners have not asked for values) which are not sustainable in planning policy terms and therefore challenge viability at the detailed planning stage.
- 6.4 We also recognise that it is difficult to generalise what a typical greenfield or brownfield residential development site is worth across a borough given that all sites are unique. It is therefore important to reiterate that this is a plan-wide study and thus the purpose of our research is to establish a suitable Benchmark Land Value for the respective typologies of development to be appraised, utilising both existing use and market values for greenfield and brownfield land.

Greenfield Development Land

- 6.5 Our search identified only 1 land transaction and 6 plots of greenfield development land currently on the market within the Isle of Wight within the past 3 years. The transactional evidence is listed first followed by the asking price evidence. We sort the listings by site area (large to small):

Table 6.1 – Greenfield Residential Development Land Figures

Address	Postcode	Size (Acre)	No. Units	Asking Price	£ per acre	£ per unit	Evidence Type
Palmers Farm Brocks Copse Road Wootton Ryde Isle of Wight	PO33 4NP	104.84 (1.56 net)	40	£1,500,000	£14,307 (£961,539 / net acre)	£37,500	Sold Price
The Paddocks St. Michaels Road, St. Helens	PO33 1YJ	0.54	2	£490,000	£902,394	£245,000	Asking Price

Moor Lane, Brighstone	PO40 4DL	2.15	5	£1,275,000	£593,023	£255,000	Asking Price
Land to the South of The Shieling, New Road, Wootton	PO33 4JW	4.02	5	£995,000	£247,512	£199,000	Asking Price
Buckbury Lane, Newport	PO30 2NL	5.46	46	£1,000,000	£183,150	£21,739	Asking Price
Land South of Newclose Cricket Club, Newport	PO30 3BE	14.24	13	£395,000	£27,739	£30,385	Asking Price

Source: Rightmove & Nimbus Maps, July 2025

- Palmers Farm, Brocks Copse Road, Wootton, Ryde, PO33 4NP** – This 104.84-acre greenfield site sold for £1,500,000, equating to £14,307 per gross acre. Outline planning permission (Ref: P/00741/18) was granted for up to 40 dwellings, resulting in a land value of £37,500 per unit. While the overall £/acre figure appears very low, the £/unit value is comparable with other larger residential schemes, indicating that the developable area was relatively limited and that the actual residential land commanded a typical value when considered on a per-dwelling basis.
- The Paddocks, St. Michaels Road, St. Helens, PO33 1YJ** – This 0.54-acre greenfield site is listed for sale at £490,000, equating to £902,394 per acre / £2,229,164 per hectare. Detailed planning permission (Ref: 22/01582/FUL) has been granted for two large detached family homes with 4–5 bedrooms. The exceptionally high land value reflects low density and a premium residential offer in an established village setting. This represents a land value of £245,000 per dwelling.
- Moor Lane, Brighstone, PO40 4DL** – This 2.15-acre greenfield site is marketed at £1,275,000, equating to £593,023 per acre / £1,465,004 per hectare. Planning consent (Ref: P/00070/19) exists for 5 dwellings. The high value reflects strong local demand, low density, and a desirable location in Brighstone on the island's southwest coast. This reflects a land value of £255,000 per dwelling.
- Land South of The Shieling, New Road, Wootton, PO33 4JW** – This 4.02-acre greenfield site is listed for sale at £995,000, equating to £247,512 per acre / £611,168 per hectare. Full planning permission (Ref: APP/P2114/W/22/33123325) has been granted for 5 residential units. The site benefits from a village-edge location. This equates to £199,000 per dwelling.
- Buckbury Lane, Newport, PO30 2NL** – This 5.46-acre greenfield/brownfield site is on the market for £1,000,000, equating to £183,150 per acre / £452,990 per hectare. Outline planning permission (Ref: 22/02032/OUT) has been granted for up to 46 new homes. The blended site character and increased density bring the value down to a moderate level. The land value equates to £21,739 per dwelling.
- Land South of Newclose Cricket Club, Newport, PO30 3BE** – This 14.24-acre greenfield site is listed for £395,000, reflecting a value of £27,739 per acre / £68,532 per hectare. Full planning consent (Ref: 21/00909/FUL) was granted in 2023 for 13 eco pods, ancillary buildings, parking, and ponds. The low value is

reflective of a niche, low-density alternative residential product. This reflects a land value of £30,385 per dwelling.

- 6.6 As demonstrated by the above comparables, greenfield residential land on the Isle of Wight typically transacts within a broad range of £180,000 to £250,000 per acre (gross), with outliers at both the lower and upper ends. This indicates that, based on an adjusted agricultural land value of £13,359 per acre, residential land values represent an uplift of approximately 13x to 18x EUV, supporting the case for a significant premium over existing use value where planning permission is secured.
- 6.7 This is broadly consistent with the 2022 study, which reported an uplift of between 13 and 18.6 times EUV. While this indicates a degree of value growth, the limited availability of transactional evidence means it is not possible to accurately determine the extent of any upward trend.

Brownfield Development Land

- 6.8 Assuming a value for brownfield land is challenging, given the numerous variables. For example, existing use, site clearance costs and/ or historic legacy costs. All factors influence the value of brownfield development land.
- 6.9 Our search was limited as we were only able to identify 2 pieces of brownfield land currently on the market within the Isle of Wight. These are outlined below.

Table 6.2 - Brownfield Residential Development Land Figures

Address	Postcode	Size (Acre)	No. Dwellings	Asking Price	£ per acre	Evidence Type
Parkbury Hotel Broadway, Sandown	PO36 9BB	0.75	N/A	£450,000	£600,000	Asking Price
53-55 St Catherine Street, Ventnor	PO38 1HG	0.40	2	£95,000	£237,500	Asking Price

Source: Rightmove, July 2025

- **Parkbury Hotel, Broadway, Sandown, PO36 9BB** – This 0.75-acre brownfield site is listed for sale at £450,000, equating to a land value of £600,000 per acre / £1,482,600 per hectare. The site does not benefit from any planning permission and no development quantum is indicated. Despite the absence of planning status, the high asking price reflects perceived redevelopment potential, likely influenced by its existing use, coastal location, or surrounding residential character. Source: Gully Howard.
- **53–55 St Catherine Street, Ventnor, PO38 1HG** – This 0.40-acre brownfield site is being marketed for £95,000, equating to £237,500 per acre / £586,375 per hectare. Full planning permission (Ref: 24/00497/FUL) has been granted for two 2-bedroom, 2-storey semi-detached cottages. The low absolute value reflects the small scale and modest development potential of the site, but the consented

status gives it a clear position in the market for minor infill schemes. Source:
Gully Howard.

- 6.10 Given the limited availability of directly comparable brownfield land evidence, it is difficult to determine with certainty whether there has been any material shift in values since the 2022 study. As such, the findings from the 2022 assessment have been considered alongside current evidence to inform our view of brownfield land values. The 2022 values ranged from £200,000 to £450,000, with per acre rates between £43,750 and £621,544. While the number of comparables was limited, they support the view that there has been no significant shift in values.

7 Benchmark Land Value Assumptions

- 7.1 The table below sets out our updated Benchmark Land Value (BLV) assumptions for the respective site typologies. These figures have been derived from detailed research set out in this paper, including agricultural and development land market evidence, and reflect our professional judgement on appropriate values for plan-wide viability testing. We have also applied 'net to gross' ratios informed by case studies and site allocations reviewed in the accompanying Residential Market Report.
- 7.2 For greenfield residential typologies, we have adopted a bottom-up approach based on an updated agricultural existing use value (EUV) of £8,000 per acre (gross). While this figure sits at the lower end of the market range, it reflects the limited availability of robust transactional evidence to support a higher value with confidence. It represents a reasonable uplift from the £7,000 per acre used in the 2022 study and has been adjusted down from headline market evidence to reflect a more reliable, evidence-based valuation in line with the findings presented in Section 3 - UK Land Context. This EUV is then adjusted using appropriate net-to-gross ratios (ranging from 50% to 100%) to reflect the net developable area and to establish an appropriate uplift to incentivise land release.
- 7.3 For strategic greenfield sites, we have applied a net-to-gross assumption of 50%, consistent with the scale and infrastructure requirements of these sites. The corresponding BLV reflects the enhanced value of land following allocation in the Local Plan and market expectations for larger sites.
- 7.4 For brownfield residential typologies, we have retained the BLV assumptions from the 2022 study. These values continue to reflect prevailing existing use values across different locations and typologies, with modest premiums (typically 11–28%) applied to reflect transaction costs and landowner incentive. No new evidence has been identified which justifies a change to the previous assumptions, and the adopted BLVs remain suitable for plan-wide testing.
- 7.5 We note that brownfield EUVs are highly sensitive to the specific nature of the existing use, condition, and planning status. Where sites have obsolete or low-value uses (e.g. derelict industrial land), the EUV would fall correspondingly. For the purpose of plan-wide testing, we apply consistent assumptions for each typology that reflect typical conditions across the Island.
- 7.6 The BLV assumptions have been calibrated to strike a balance between incentivising land release and ensuring that developments remain viable with policy-compliant obligations. We have moderated some of the highest values seen in land transactions to reflect a plan-wide, blended approach. This also allows for an appropriate degree of 'headroom' to accommodate infrastructure or policy requirements, in line with the principles established in the Mayor of London CIL Examiner's Report (2012), which recognised that reductions in land value are a necessary part of delivering viable planning obligations.
- 7.7 The BLVs set out in the table represent the minimum values adopted for the purposes of our notional viability appraisals. These act as the benchmark against which Residual Land Values (RLVs) are tested, to assess whether development typologies are deliverable under current market conditions.

- 7.8 For clarity, we present each BLV as a value per net developable acre and per hectare, alongside the assumed EUV, net-to-gross ratio, and uplift multiplier. This provides a transparent and traceable approach to understanding how land value assumptions have been applied.

Benchmark Land Value Caveats

- 7.9 It is important to note that the Benchmark Land Values (BLVs) set out in this report are intended for high-level plan-making. They provide a standardised input for the purpose of testing the deliverability of Local Plan policies across a range of hypothetical development typologies. The figures should not be applied directly to individual planning applications. Site-specific viability assessments should be based on site-specific evidence of existing use value (EUV), abnormal costs, and development potential, in accordance with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).
- 7.10 The BLVs adopted in the appraisal typologies do not represent fixed land values for all development sites across the Isle of Wight. Where abnormal or exceptional costs (e.g. contamination, infrastructure, demolition) are present, the land value should be adjusted downward accordingly. Conversely, where planning gain is lower or policy requirements are relaxed, a higher land value may still allow a scheme to come forward viably.
- 7.11 The existence of a surplus between Residual Land Value (RLV) and BLV in some typologies, particularly for greenfield or strategic sites, indicates that there may be scope for stronger land bids, depending on market dynamics. However, this surplus should not be presumed in every case. The appraisal sensitivity tests demonstrate how changes in BLV, build costs, sales values and developer profit margins affect the overall viability margin and should be considered in interpreting the results.
- 7.12 This report is prepared without prejudice to future planning negotiations or site-specific viability cases. The BLVs contained herein are intended to support plan-making and provide a consistent and transparent basis for testing the cumulative impact of Local Plan policies. They do not represent a cap, floor or binding value for transactional purposes.

Table 7.1 - Benchmark Land Value Assumptions

Typology	Location	Greenfield /Brownfield	EUV -					Uplift Multiplier	BLV -	
			(per acre) (gross)	(per ha) (gross)	Net: Gross (%)	(per acre) (net)	(per ha) (net)		(per acre) (net developable) (rounded)	(per ha) (net developable)
Smaller Residential (<10 units)	Lower Value Area	Greenfield	£8,000	£19,768	100%	£8,000	£19,768	13.8	£110,000	£271,810
Smaller Residential (11-50 units)	Lower Value Area	Greenfield	£8,000	£19,768	75%	£10,667	£26,357	11.7	£125,000	£308,875
Smaller Residential (11-50 units)	Higher Value Area	Greenfield	£8,000	£19,768	75%	£10,667	£26,357	17.3	£185,000	£457,135
Larger Residential (51-200 units)	Lower Value Area	Greenfield	£8,000	£19,768	65%	£12,308	£30,412	11.8	£145,000	£358,295
Larger Residential (51-200 units)	Higher Value Area	Greenfield	£8,000	£19,768	65%	£12,308	£30,412	18.3	£225,000	£555,975
Strategic Sites	Lower Value Area	Mixed	£8,000	£19,768	50%	£16,000	£39,536	13.4	£215,000	£531,265
Smaller Residential (<10 units)	Lower Value Area	Brownfield	£90,000	£222,390	100%	£90,000	£222,390	11.1%	£100,000	£247,100
Smaller Residential (11-50 units)	Lower Value Area	Brownfield	£90,000	£222,390	80%	£112,500	£277,988	11.1%	£125,000	£308,875

Smaller Residential (11-50 units)	Higher Value Area	Brownfield	£100,000	£247,100	80%	£125,000	£308,875	20.0%	£150,000	£370,650
Larger Residential (51-200 units)	Lower Value Area	Brownfield	£90,000	£222,390	75%	£120,000	£296,520	12.5%	£135,000	£333,585
Larger Residential (51-200 units)	Higher Value Area	Brownfield	£100,000	£247,100	75%	£133,333	£329,467	20.0%	£160,000	£395,360
Rural Exception Sites	Island Wide	Greenfield	£10,000 per plot							

Source: AspinallVerdi, July 2025

Appendix 5 – BCIS Build Costs

£/M2 STUDY

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

Last updated: 26-Jul-2025 07:30

Rebased to 3Q 2025 (403; forecast) and Isle of Wight (105; sample 19)

MAXIMUM AGE OF RESULTS: 5 YEARS

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
New build								
810.1 Estate housing								
Generally (5)	1,824	846	1,510	1,797	2,016	3,660	183	
Single storey (5)	2,130	1,409	1,796	1,985	2,314	3,660	31	
2-storey (5)	1,766	846	1,487	1,781	1,973	2,809	148	
3-storey (5)	1,581	1,221	-	1,578	-	1,949	4	
810.12 Estate housing semi detached								
Generally (5)	1,940	1,163	1,679	1,855	2,077	3,660	51	
Single storey (5)	2,077	1,409	1,804	2,005	2,061	3,660	17	
2-storey (5)	1,869	1,163	1,463	1,816	2,088	2,809	33	
810.13 Estate housing terraced								
Generally (5)	1,636	975	1,438	1,510	1,885	2,271	11	
2-storey (5)	1,678	975	1,473	1,591	1,925	2,271	10	
816. Flats (apartments)								
Generally (5)	2,121	1,118	1,685	2,029	2,438	4,019	139	
1-2 storey (5)	2,110	1,118	1,683	2,067	2,513	3,717	29	

Building function (Maximum age of projects)	£/m ² gross internal floor area						Sample	
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest		
3-5 storey (5)	2,099	1,128	1,685	1,990	2,347	4,019	100	
6 storey or above (5)	2,370	1,584	2,018	2,520	2,707	3,170	10	

£/M2 STUDY

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

Last updated: 04-Oct-2025 07:44

Rebased to 4Q 2025 (407; forecast) and Isle of Wight (105; sample 19)

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								
843. Supported housing								
Generally (15)	2,097	1,067	1,733	1,952	2,350	4,209	115	
Single storey (15)	2,356	1,512	1,888	2,218	2,527	4,209	10	
2-storey (15)	2,157	1,305	1,739	1,898	2,536	3,703	39	
3-storey (15)	1,924	1,067	1,723	1,853	2,141	2,883	38	
4-storey or above (15)	2,145	1,310	1,718	1,988	2,192	4,079	25	
843.1 Supported housing with shops, restaurants or the like (15)	2,176	1,272	1,717	1,921	2,724	3,443	35	

Appendix 6 – Development Appraisals

250911_Isle of Wight Residential Appraisal_A_F_v1 - Version Notes

Date	Version	Comments	Updated by who
250911	v1	For Issue	AS

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **A** (see Typologies Matrix)
 Scheme Typology: **No Units: 10**
 Site Typology: **Location / Value Zone: Lower Greenfield/Brownfield: Greenfield**
 Notes/Comments: **Median BCIS : 35% AH - Adjacent to Rural Service Centre**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			10 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			Open Market Sale (OMS)		Affordable Rent:		80.0%		
			Social Rent:				0.0%		
			First Homes:				0.0%		
			Other Intermediate (LCHO/Sub-Market etc.):				20.0%		
			100%		100.0%		7.0% % of total (>10% First Homes PPG 023)		
CIL Rate (£ psm)			0.00 £ psm						
OMS Floor areas, per Unit -									
	(sqm)	(sqft)			(sqm)			(sqm)	(sqft)
1 bed House	55.0	592			55.0			592	
2 bed House	72.0	775			72.0			775	
3 bed House	87.0	936			87.0			936	
4 bed House	115.0	1,238			115.0			1,238	
5 bed House	140.0	1,507			140.0			1,507	
1 bed Flat	55.0	592			55.0			592	
2 bed Flat	70.0	753			70.0			753	
3 bed Flat	0.0	0			0.0			0	
AH Floor areas, per Unit -									
	(sqm)	(sqft)	Net area per unit		(sqm)	Net to Gross %		(sqm)	Gross (GIA) per unit
1 bed House	55.0	592			55.0			592	
2 bed House	72.0	775			72.0			775	
3 bed House	87.0	936			87.0			936	
4 bed House	115.0	1,238			115.0			1,238	
5 bed House	140.0	1,507			140.0			1,507	
1 bed Flat	55.0	592			55.0			592	
2 bed Flat	70.0	753			70.0			753	
3 bed Flat	0.0	0			0.0			0	
Total Gross Overall Floor areas -									
	(sqm)	(sqft)	OMS Units GIA		(sqm)	AH units GIA		(sqm)	Total GIA (all units)
1 bed House	18	192			18			192	
2 bed House	140	1,511			140			1,511	
3 bed House	226	2,435			226			2,435	
4 bed House	150	1,609			150			1,609	
5 bed House	46	490			46			490	
1 bed Flat	0	0			0			0	
2 bed Flat	0	0			0			0	
3 bed Flat	0	0			0			0	
AH % by floor area:									
30.49% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	158,000	2,873	267	2,873	267	250,430			
2 bed House	238,000	3,306	307	3,306	307	730,660			
3 bed House	350,000	4,023	374	4,023	374	1,228,500			
4 bed House	450,000	3,913	364	3,913	364	663,750			
5 bed House	530,000	3,786	352	3,786	352	190,800			
1 bed Flat	158,000	2,873	267	2,442	227	0			
2 bed Flat	190,000	2,714	252	2,307	214	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
3,064,140									
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed House	130,900	55%	0	0%	0	0%	142,800	60%	
3 bed House	192,500	55%	0	0%	0	0%	210,000	60%	
4 bed House	247,500	55%	0	0%	0	0%	270,000	60%	
5 bed House	291,500	55%	0	0%	0	0%	318,000	60%	
1 bed Flat	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 10

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.3	@	158,000	51,350
2 bed House	2.0	@	238,000	464,100
3 bed House	2.6	@	350,000	910,000
4 bed House	1.3	@	450,000	585,000
5 bed House	0.3	@	530,000	172,250
1 bed Flat	0.0	@	158,000	-
2 bed Flat	0.0	@	190,000	-
3 bed Flat	0.0	@	0	-
	6.5			2,182,700
Affordable Rent GDV -				
1 bed House	1.1	@	86,900	97,328
2 bed House	0.8	@	130,900	109,956
3 bed House	0.7	@	192,500	134,750
4 bed House	0.1	@	247,500	34,650
5 bed House	0.0	@	291,500	-
1 bed Flat	0.0	@	86,900	-
2 bed Flat	0.0	@	104,500	-
3 bed Flat	0.0	@	0	-
	2.8			376,684
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.1	@	94,800	13,272
2 bed House	0.3	@	142,800	39,984
3 bed House	0.2	@	210,000	44,100
4 bed House	0.0	@	270,000	9,450
5 bed House	0.0	@	318,000	11,130
1 bed Flat	0.0	@	94,800	-
2 bed Flat	0.0	@	114,000	-
3 bed Flat	0.0	@	0	-
	0.7	3.5		117,936
Sub-total GDV Residential				2,677,320
AH on-site cost analysis:				
464 £ psm (total GIA sqm)			£MV (no AH) less £GDV (inc. AH)	386,820
			38,682 £ per unit (total units)	
Grant				
	4	AH units @	0 per unit	-
Total GDV				2,677,320

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:
Site Typology: Location / Value Zone: **Lower** No Units: **10** Greenfield/Brownfield: **Greenfield**
Notes/Comments: Median BCIS : 35% AH - Adjacent to Rural Service Centre

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25				(capped at £411,885)	6,350	£		(6,350)
Planning Application Professional Fees, Surveys and reports					(capped at £1,500,000)	25,400	£		(25,400)
CIL (Mkrt only inc. garages)	Max		579 sqm		0.00 £ psm				-
CIL analysis:			0.00% % of GDV		0 £ per unit (total units)				
Site Specific S106	Year 1								-
(strategic site cashflow yrs 1-15)	Year 2								-
	Year 3								-
	Year 4								-
	Year 5								-
	Year 6								-
	Year 7								-
	Year 8								-
	Year 9								-
	Year 10								-
	Year 11								-
	Year 12								-
	Year 13								-
	Year 14								-
	Year 15								-
Site Specific S106 (installment)			10 units @		6,600 per unit				(66,000)
S106 analysis:		165,000 £ per ha	2.47% % of GDV		6,600 £ per unit (total units)				
AH Commuted Sum			834 sqm (total)		0 £ psm				-
Comm. Sum analysis:			0.00% % of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation			0.40 ha @		0 £ per ha (if brownfield)				-
Site Infrastructure costs	Year 1								-
(strategic site cashflow yrs 1-15)	Year 2								-
	Year 3								-
	Year 4								-
	Year 5								-
	Year 6								-
	Year 7								-
	Year 8								-
	Year 9								-
	Year 10								-
	Year 11								-
	Year 12								-
	Year 13								-
	Year 14								-
	Year 15								-
	Years 1-15		10 units @		6,600 per unit				(66,000)
Sub-total								(66,000)	
Infra. Costs analysis:		165,000 £ per ha	2.47% % of GDV		6,600 £ per unit (total units)				
1 bed House			87 sqm @		1,797 psm				(156,653)
2 bed House			221 sqm @		1,797 psm				(397,209)
3 bed House (EXC. garage)			305 sqm @		1,797 psm				(548,750)
4 bed House (EXC. garage)			170 sqm @		1,797 psm				(304,816)
5 bed House (EXC. garage)			50 sqm @		1,797 psm				(90,569)
1 bed Flat			- sqm @		2,029 psm				-
2 bed Flat			- sqm @		2,029 psm				-
3 bed Flat			- sqm @		2,029 psm				-
Garages for 3B House	3.5	-	0 sqm @		500 psm				-
Garages for 4B House	1.5	-	0 sqm @		500 psm				-
Garages for 5B House	0.4	-	0 sqm @		500 psm				-
Total GIA check:			834 £ per garage		£0				
External works			1,497,997 @		10.0%				(149,800)
Ext. Works analysis:					14,980 £ per unit (total units)				
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs			10 units @		0 £ per unit				-
M4(3) Category 3 Housing	OMS units	6.5 units @			1,011 £ per unit				(10,110)
M4(3) Category 3 Housing	Aff units	3.5 units @		10%	10,000 £ per unit				(6,500)
Part L/FHS - Houses		10 units @		30%	10,000 £ per unit				(10,500)
Part L/FHS - Flats		0 units @			5,000 £ per unit				(50,000)
Part L/FHS analysis:					2,260 £ per unit				(791)
					3.3% % of BCIS costs				
Water Efficiency		10 units @			9 £ per unit				(90)
Carbon / Energy Reduction		10 units @			0 £ per unit				-
Sub-total								(77,991)	
Policy Costs analysis: (design costs only)					7,799 £ per unit (total units)				
					5.2% % of BCIS costs				
Contingency (on construction)			1,791,788 @		3.0%				(53,754)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **10**
 Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Median BCIS : 35% AH - Adjacent to Rural Service Centre

Professional Fees	1,791,788	@	8.0%		(143,343)
Disposal Costs -					
OMS Marketing and Promotion	2,182,700	OMS @	1.50%	3,274 £ per unit	(32,741)
Residential Sales Agent Costs	2,182,700	OMS @	1.50%	3,274 £ per unit	(32,741)
Residential Sales Legal Costs	2,182,700	OMS @	0.50%	1,091 £ per unit	(10,914)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				8,639 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR	0.565% pcm		(60,139)
Developers Profit -					
Profit on OMS	2,182,700		20.00%		(436,540)
Margin on AH	494,620		6.00% on AH values		(29,677)
Profit analysis:	2,677,320		17.41% blended GDV	(466,217)	
	2,233,168		20.88% on costs	(466,217)	
TOTAL COSTS					(2,699,385)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(22,065)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(22,065)
RLV analysis:	(2,207) £ per plot	(55,163) £ per ha (net)	(22,324) £ per acre (net)		
		(44,131) £ per ha (gross)	(17,859) £ per acre (gross)		
			-0.82% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	25.0	dph (net)			
Site Area (net)	0.40	ha (net)	0.99	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.50	ha (gross)	1.24	acres (gross)	
Density analysis:	2,084	sqm/ha (net)	9,078	sqft/ac (net)	
	20	dph (gross)			
Benchmark Land Value (net)	10,872 £ per plot	271,810 £ per ha (net)	110,000	£ per acre (net)	108,724
BLV analysis:		217,448 £ per ha (gross)	88,000	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)	(326,973)	£ per ha (net)	(132,324)	£ per acre (net)	(130,789)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

10

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.
Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
	£0	190,273	150,126	109,652	68,113	26,443	(16,301)	(59,045)
	£1,000	180,106	139,959	99,133	57,594	15,628	(27,116)	(69,861)
Site Specific S106 Contributions	£2,000	169,939	129,792	88,613	47,074	4,813	(37,932)	(80,676)
£6,600	£3,000	159,772	119,625	78,094	36,555	(6,003)	(48,747)	(91,491)
	£4,000	149,605	109,113	67,574	25,926	(16,818)	(59,562)	(102,307)
	£5,000	139,438	98,594	57,055	15,111	(27,633)	(70,378)	(113,412)
	£6,000	129,272	88,074	46,535	4,296	(38,449)	(81,193)	(125,232)
	£6,600	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)
	£7,000	119,094	77,555	36,016	(6,520)	(49,264)	(92,008)	(137,052)
	£8,000	108,575	67,035	25,410	(17,335)	(60,079)	(102,824)	(148,872)
	£9,000	98,055	56,516	14,594	(28,150)	(70,895)	(113,977)	(160,750)
	£10,000	87,536	45,996	3,779	(38,966)	(81,710)	(125,797)	(172,637)
	£11,000	77,016	35,477	(7,037)	(49,781)	(92,525)	(137,617)	(184,524)
	£12,000	66,497	24,870	(17,852)	(60,596)	(103,341)	(149,437)	(196,411)
	£13,000	55,977	14,077	(28,667)	(71,412)	(114,542)	(161,258)	(208,298)
	£14,000	45,458	3,262	(39,483)	(82,227)	(126,362)	(173,121)	(220,185)
	£15,000	34,938	(7,554)	(50,298)	(93,042)	(138,182)	(185,008)	(232,072)
	£16,000	24,319	(18,369)	(61,113)	(103,858)	(150,002)	(196,895)	(243,959)
	£17,000	13,560	(29,184)	(71,929)	(115,107)	(161,823)	(208,782)	(255,845)
	£18,000	2,745	(40,000)	(82,744)	(126,927)	(173,643)	(220,669)	(267,732)
	£19,000	(8,071)	(50,815)	(93,559)	(138,747)	(185,493)	(232,556)	(279,619)
	£20,000	(18,886)	(61,630)	(104,375)	(150,568)	(197,380)	(244,443)	(291,506)
	£21,000	(29,701)	(72,446)	(115,672)	(162,388)	(209,266)	(256,330)	(303,393)
	£22,000	(40,517)	(83,261)	(127,492)	(174,208)	(221,153)	(268,217)	(315,280)
	£23,000	(51,332)	(94,076)	(139,312)	(186,028)	(233,040)	(280,104)	(327,167)
	£24,000	(62,147)	(104,892)	(151,133)	(197,864)	(244,927)	(291,990)	(339,054)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
	15%	262,762	215,269	167,775	120,089	70,701	21,120	(29,396)
	16%	234,844	188,820	142,796	95,787	47,896	(641)	(49,602)
Profit	17%	206,926	162,371	117,761	71,462	25,006	(22,401)	(69,808)
20%	18%	179,008	135,922	91,915	47,136	1,692	(44,162)	(90,015)
	19%	151,090	109,129	66,069	22,676	(21,623)	(65,922)	(110,241)
	20%	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **10**
 Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Median BCIS : 35% AH - Adjacent to Rural Service Centre

TABLE 3		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	183,171	141,763	100,224	57,807	15,062	(27,682)	(72,324)
	60,000	173,171	131,763	90,224	47,807	5,062	(37,682)	(82,324)
	70,000	163,171	121,763	80,224	37,807	(4,938)	(47,682)	(92,324)
	80,000	153,171	111,763	70,224	27,807	(14,938)	(57,682)	(102,324)
	90,000	143,171	101,763	60,224	17,807	(24,938)	(67,682)	(112,324)
	100,000	133,171	91,763	50,224	7,807	(34,938)	(77,682)	(122,324)
	110,000	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)
	120,000	113,171	71,763	30,224	(12,193)	(54,938)	(97,682)	(142,324)
	130,000	103,171	61,763	20,224	(22,193)	(64,938)	(107,682)	(152,324)
	140,000	93,171	51,763	10,224	(32,193)	(74,938)	(117,682)	(162,324)
	150,000	83,171	41,763	224	(42,193)	(84,938)	(127,682)	(172,324)
	160,000	73,171	31,763	(9,776)	(52,193)	(94,938)	(137,682)	(182,324)
	170,000	63,171	21,763	(19,776)	(62,193)	(104,938)	(147,682)	(192,324)
	180,000	53,171	11,763	(29,776)	(72,193)	(114,938)	(157,682)	(202,324)
	190,000	43,171	1,763	(39,776)	(82,193)	(124,938)	(167,682)	(212,324)
	200,000	33,171	(8,237)	(49,776)	(92,193)	(134,938)	(177,682)	(222,324)
TABLE 4		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	29,903	5,058	(19,866)	(45,316)	(70,963)	(96,609)	(123,395)
	18	53,220	24,234	(4,844)	(34,535)	(64,457)	(94,378)	(125,627)
	20	76,537	43,410	10,179	(23,755)	(57,950)	(92,146)	(127,859)
	23	99,854	62,586	25,201	(12,974)	(51,444)	(89,914)	(130,092)
	25	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)
	28	146,489	100,939	55,246	8,587	(38,432)	(85,451)	(134,557)
	30	169,806	120,115	70,268	19,368	(31,925)	(83,219)	(136,789)
	33	193,123	139,292	85,291	30,149	(25,419)	(80,987)	(139,022)
	35	216,440	158,468	100,313	40,929	(18,913)	(78,755)	(141,254)
	38	239,757	177,644	115,335	51,710	(12,407)	(76,524)	(143,487)
	40	263,074	196,820	130,358	62,490	(5,901)	(74,292)	(145,719)
	43	286,391	215,997	145,380	73,271	606	(72,060)	(147,951)
	45	309,709	235,173	160,402	84,052	7,112	(69,828)	(150,184)
	48	333,026	254,349	175,425	94,832	13,618	(67,596)	(152,416)
	50	356,343	273,525	190,447	105,613	20,124	(65,365)	(154,649)
	53	379,660	292,702	205,469	116,394	26,630	(63,133)	(156,881)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **10**
 Location / Value Zone: **Lower** Greenfield/Brownfield: **Greenfield**
 Median BCIS : 35% AH - Adjacent to Rural Service Centre

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
Build Cost 100% (105% = 5% increase)	80%	477,786	434,549	391,312	348,074	304,837	261,599	218,211
	85%	389,308	346,899	304,490	262,081	219,523	176,877	134,231
	90%	300,830	259,249	217,503	175,690	133,877	91,115	47,823
	95%	212,150	171,170	130,190	88,163	45,762	2,541	(41,090)
	100%	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)
	105%	31,237	(10,473)	(52,331)	(94,189)	(138,467)	(184,320)	(230,409)
	110%	(63,269)	(104,241)	(148,484)	(193,262)	(238,367)	(283,482)	(328,597)
	115%	(162,375)	(206,184)	(250,221)	(294,362)	(338,503)	(382,644)	(427,107)
	120%	(265,971)	(309,138)	(352,305)	(395,472)	(438,773)	(482,312)	(525,850)
TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(132,324)	75%	80%	85%	90%	95%	100%	105%
Market Values 100% (105% = 5% increase)	80%	(1,358)	(90,694)	(186,847)	(285,034)	(383,605)	(482,348)	(1,145,952)
	85%	76,773	(11,291)	(100,627)	(197,737)	(295,925)	(394,481)	(493,223)
	90%	152,865	67,133	(21,224)	(110,613)	(208,628)	(306,816)	(405,356)
	95%	227,528	143,548	57,492	(31,157)	(121,469)	(219,519)	(317,706)
	100%	301,869	218,211	134,231	47,823	(41,090)	(132,324)	(230,409)
	105%	376,176	292,668	208,894	124,914	38,107	(51,023)	(143,180)
	110%	450,482	366,975	283,467	199,577	115,464	28,380	(60,956)
	115%	524,602	441,281	357,773	274,239	190,259	105,824	18,447
	120%	598,598	515,560	432,080	348,572	264,922	180,942	96,184
TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(132,324)	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £0.00 £ per dwelling	£0	123,171	81,763	40,224	(2,193)	(44,938)	(87,682)	(132,324)
	£2,000	102,209	60,670	18,865	(23,880)	(66,624)	(109,369)	(156,057)
	£4,000	81,116	39,577	(2,822)	(45,566)	(88,311)	(133,011)	(179,892)
	£6,000	60,023	18,237	(24,508)	(67,252)	(109,997)	(156,712)	(203,726)
	£8,000	38,930	(3,450)	(46,194)	(88,939)	(133,697)	(180,498)	(227,561)
	£10,000	17,590	(25,136)	(67,881)	(110,683)	(157,398)	(204,333)	(251,396)
	£12,000	(4,078)	(46,822)	(89,567)	(134,384)	(181,104)	(228,168)	(275,231)
	£14,000	(25,764)	(68,509)	(111,370)	(158,085)	(204,939)	(252,003)	(299,066)
	£16,000	(47,451)	(90,195)	(135,071)	(181,786)	(228,774)	(275,838)	(322,901)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **B** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **10**
 Notes/Comments: **Median BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				10 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				80.0% Rented					
Open Market Sale (OMS)				7.0% % of total (>10% First Homes PPG 023)					
Affordable Rent:				80.0%					
Social Rent:				0.0%					
First Homes:				0.0%					
Other Intermediate (LCHO/Sub-Market etc.):				20.0%					
				100%		100.0%			
CIL Rate (£ psm)				0.00 £ psm					
OMS Floor areas, per Unit -									
	(sqm)	(sqft)		%	(sqm)		(sqm)	(sqft)	
1 bed House	55.0	592					55.0	592	
2 bed House	72.0	775					72.0	775	
3 bed House	87.0	936			0.0		87.0	936	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	140.0	1,507			0.0		140.0	1,507	
1 bed Flat	55.0	592		85.0%			64.7	696	
2 bed Flat	70.0	753		85.0%			82.4	886	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	(sqm)	(sqft)		%	(sqm)		(sqm)	(sqft)	
1 bed House	55.0	592					55.0	592	
2 bed House	72.0	775					72.0	775	
3 bed House	87.0	936			0.0		87.0	936	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	140.0	1,507			0.0		140.0	1,507	
1 bed Flat	55.0	592		85.0%			64.7	696	
2 bed Flat	70.0	753		85.0%			82.4	886	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	(sqm)	(sqft)		(sqm)	(sqft)		(sqm)	(sqft)	
1 bed House	18	192		69	746		87	938	
2 bed House	140	1,511		81	868		221	2,379	
3 bed House	226	2,435		79	852		305	3,287	
4 bed House	150	1,609		20	217		170	1,826	
5 bed House	46	490		5	53		50	543	
1 bed Flat	0	0		0	0		0	0	
2 bed Flat	0	0		0	0		0	0	
3 bed Flat	0	0		0	0		0	0	
	579	6,237		254	2,735		834	8,973	
AH % by floor area:				30.49% AH % by floor area (difference due to mix)					
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	158,000	2,873	267	2,873	267		250,430		
2 bed House	238,000	3,306	307	3,306	307		730,660		
3 bed House	350,000	4,023	374	4,023	374		1,228,500		
4 bed House	450,000	3,913	364	3,913	364		663,750		
5 bed House	530,000	3,786	352	3,786	352		190,800		
1 bed Flat	158,000	2,873	267	2,442	227		0		
2 bed Flat	190,000	2,714	252	2,307	214		0		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							3,064,140		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed House	130,900	55%	0	0%	0	0%	142,800	60%	
3 bed House	192,500	55%	0	0%	0	0%	210,000	60%	
4 bed House	247,500	55%	0	0%	0	0%	270,000	60%	
5 bed House	291,500	55%	0	0%	0	0%	318,000	60%	
1 bed Flat	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

10

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.3	@	158,000	51,350
2 bed House	2.0	@	238,000	464,100
3 bed House	2.6	@	350,000	910,000
4 bed House	1.3	@	450,000	585,000
5 bed House	0.3	@	530,000	172,250
1 bed Flat	0.0	@	158,000	-
2 bed Flat	0.0	@	190,000	-
3 bed Flat	0.0	@	0	-
	6.5			2,182,700
Affordable Rent GDV -				
1 bed House	1.1	@	86,900	97,328
2 bed House	0.8	@	130,900	109,956
3 bed House	0.7	@	192,500	134,750
4 bed House	0.1	@	247,500	34,650
5 bed House	0.0	@	291,500	-
1 bed Flat	0.0	@	86,900	-
2 bed Flat	0.0	@	104,500	-
3 bed Flat	0.0	@	0	-
	2.8			376,684
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.1	@	94,800	13,272
2 bed House	0.3	@	142,800	39,984
3 bed House	0.2	@	210,000	44,100
4 bed House	0.0	@	270,000	9,450
5 bed House	0.0	@	318,000	11,130
1 bed Flat	0.0	@	94,800	-
2 bed Flat	0.0	@	114,000	-
3 bed Flat	0.0	@	0	-
	0.7	3.5		117,936
Sub-total GDV Residential				2,677,320
AH on-site cost analysis:				
464 £ psm (total GIA sqm)				386,820
EMV (no AH) less £GDV (inc. AH)				
38,682 £ per unit (total units)				
Grant				
	4	AH units @	0 per unit	-
Total GDV				2,677,320

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

10

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	6,350 £	(6,350)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	25,400 £	(25,400)
CIL (Mkrt only inc. garages)	Max	579 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		10 units @		6,600 per unit		(66,000)
S106 analysis:		264,000 £ per ha	2.47% % of GDV	6,600 £ per unit (total units)		(66,000)
AH Commuted Sum		834 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		0.25 ha @		110,000 £ per ha (if brownfield)		(27,500)
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15	10 units @		6,600 per unit		(66,000)
Infra. Costs analysis:		264,000 £ per ha	2.47% % of GDV	6,600 £ per unit (total units)		(66,000)
1 bed House		87 sqm @		1,797 psm		(156,653)
2 bed House		221 sqm @		1,797 psm		(397,209)
3 bed House (EXC. garage)		305 sqm @		1,797 psm		(548,750)
4 bed House (EXC. garage)		170 sqm @		1,797 psm		(304,816)
5 bed House (EXC. garage)		50 sqm @		1,797 psm		(90,569)
1 bed Flat		- sqm @		2,029 psm		-
2 bed Flat		- sqm @		2,029 psm		-
3 bed Flat		- sqm @		2,029 psm		-
Garages for 3B House	3.5	-	0 sqm @	500 psm		-
Garages for 4B House	1.5	-	0 sqm @	500 psm		-
Garages for 5B House	0.4	-	0 sqm @	500 psm		-
Total GIA check:		834	£ per garage	£0		
External works		1,497,997 @		10.0%		(149,800)
Ext. Works analysis:				14,980 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		10 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	6.5 units @	10%	10,000 £ per unit		(2,870)
M4(3) Category 3 Housing	Aff units	3.5 units @	30%	10,000 £ per unit		(6,500)
Part L/FHS - Houses		10 units @		5,000 £ per unit		(50,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.3% % of BCIS costs		
Water Efficiency		10 units @		9 £ per unit		(90)
Carbon / Energy Reduction		10 units @		0 £ per unit		-
Sub-total						(70,751)
Policy Costs analysis: (design costs only)				7,075 £ per unit (total units)		
				4.7% % of BCIS costs		
Contingency (on construction)		1,812,048 @		5.0%		(90,602)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **10**

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

Professional Fees	1,812,048	@	8.0%		(144,964)
Disposal Costs -					
OMS Marketing and Promotion	2,182,700	OMS @	1.50%	3,274 £ per unit	(32,741)
Residential Sales Agent Costs	2,182,700	OMS @	1.50%	3,274 £ per unit	(32,741)
Residential Sales Legal Costs	2,182,700	OMS @	0.50%	1,091 £ per unit	(10,914)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				8,639 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(53,736)
Developers Profit -					
Profit on OMS	2,182,700		20.00%		(436,540)
Margin on AH	494,620		6.00%	on AH values	(29,677)
Profit analysis:	2,677,320			17.41% blended GDV	(466,217)
	2,285,494			20.40% on costs	(466,217)
TOTAL COSTS					(2,751,711)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(74,391)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(74,391)
RLV analysis:	(7,439) £ per plot		(297,565) £ per ha (net)	(120,423) £ per acre (net)	
			(238,052) £ per ha (gross)	(96,338) £ per acre (gross)	
				-2.78% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	40.0	dph (net)			
Site Area (net)	0.25	ha (net)	0.62	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.31	ha (gross)	0.77	acres (gross)	
Density analysis:	3,334	sqm/ha (net)	14,525	sqft/ac (net)	
	32	dph (gross)			
Benchmark Land Value (net)	6,178 £ per plot	247,100 £ per ha (net)	100,000	£ per acre (net)	61,775
BLV analysis:		197,680 £ per ha (gross)	80,000 £ per acre (gross)		

BALANCE					
Surplus/(Deficit)		(544,665) £ per ha (net)	(220,423) £ per acre (net)		(136,166)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

10

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
£0		307,884	243,154	177,007	110,496	42,430	(25,637)	(93,703)
£1,000		291,334	226,030	159,883	92,890	24,824	(43,242)	(112,359)
£2,000		274,784	208,905	142,759	75,284	7,218	(60,848)	(131,600)
Site Specific S106 Contributions								
£6,600		257,928	191,781	125,635	57,678	(10,388)	(78,454)	(150,842)
		240,804	174,657	108,139	40,073	(27,993)	(96,060)	(170,113)
		223,680	157,533	90,533	22,467	(45,599)	(114,935)	(189,463)
		206,556	140,409	72,927	4,861	(63,205)	(134,176)	(208,813)
		189,432	123,285	55,322	(12,745)	(80,811)	(153,417)	(228,163)
		172,307	105,782	37,716	(30,350)	(98,416)	(172,659)	(247,513)
		155,183	88,176	20,110	(47,956)	(117,511)	(191,919)	(266,863)
		138,059	70,571	2,504	(65,562)	(136,752)	(211,269)	(286,213)
		120,907	52,965	(15,101)	(83,168)	(155,993)	(230,619)	(305,563)
		103,401	35,359	(32,707)	(100,845)	(175,234)	(249,969)	(324,913)
		85,819	17,753	(50,313)	(120,086)	(194,476)	(269,319)	(344,263)
		68,214	148	(67,919)	(139,328)	(213,725)	(288,669)	(363,613)
		50,608	(17,458)	(85,524)	(158,569)	(233,075)	(308,019)	(382,963)
		33,002	(35,064)	(103,421)	(177,810)	(252,425)	(327,369)	(402,314)
		15,396	(52,670)	(122,662)	(197,051)	(271,775)	(346,719)	(421,664)
		(2,209)	(70,275)	(141,903)	(216,293)	(291,125)	(366,069)	(441,014)
		(19,815)	(87,881)	(161,145)	(235,534)	(310,475)	(385,420)	(460,364)
		(37,421)	(105,997)	(180,386)	(254,881)	(329,825)	(404,770)	(479,714)
		(55,026)	(125,238)	(199,627)	(274,231)	(349,175)	(424,120)	(499,064)
		(72,632)	(144,479)	(218,868)	(293,581)	(368,525)	(443,470)	(518,430)
		(90,238)	(163,720)	(238,110)	(312,931)	(387,876)	(462,820)	(537,889)
		(108,572)	(182,962)	(257,351)	(332,281)	(407,226)	(482,170)	(557,349)
		(127,814)	(202,203)	(276,687)	(351,631)	(426,576)	(501,520)	(576,808)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
15%		421,999	346,315	270,324	191,697	112,749	32,249	(48,538)
16%		377,330	303,997	229,084	152,776	75,446	(2,568)	(80,868)
17%		332,661	261,492	187,731	113,669	38,142	(37,385)	(114,424)
18%		287,992	217,706	146,378	73,879	839	(72,201)	(149,757)
19%		242,500	173,920	104,641	34,088	(36,465)	(107,670)	(185,090)
20%		196,281	130,135	62,364	(5,702)	(73,768)	(145,721)	(220,423)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 10

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	246,281	180,135	112,364	44,298	(23,768)	(95,721)	(170,423)
	60,000	236,281	170,135	102,364	34,298	(33,768)	(105,721)	(180,423)
	70,000	226,281	160,135	92,364	24,298	(43,768)	(115,721)	(190,423)
	80,000	216,281	150,135	82,364	14,298	(53,768)	(125,721)	(200,423)
	90,000	206,281	140,135	72,364	4,298	(63,768)	(135,721)	(210,423)
	100,000	196,281	130,135	62,364	(5,702)	(73,768)	(145,721)	(220,423)
	110,000	186,281	120,135	52,364	(15,702)	(83,768)	(155,721)	(230,423)
	120,000	176,281	110,135	42,364	(25,702)	(93,768)	(165,721)	(240,423)
	130,000	166,281	100,135	32,364	(35,702)	(103,768)	(175,721)	(250,423)
	140,000	156,281	90,135	22,364	(45,702)	(113,768)	(185,721)	(260,423)
	150,000	146,281	80,135	12,364	(55,702)	(123,768)	(195,721)	(270,423)
	160,000	136,281	70,135	2,364	(65,702)	(133,768)	(205,721)	(280,423)
	170,000	126,281	60,135	(7,636)	(75,702)	(143,768)	(215,721)	(290,423)
	180,000	116,281	50,135	(17,636)	(85,702)	(153,768)	(225,721)	(300,423)
	190,000	106,281	40,135	(27,636)	(95,702)	(163,768)	(235,721)	(310,423)
100,000	200,000	96,281	30,135	(37,636)	(105,702)	(173,768)	(245,721)	(320,423)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	(19,432)	(44,923)	(70,448)	(95,972)	(123,494)	(151,493)	(179,597)
	18	2,194	(27,388)	(57,166)	(86,945)	(118,278)	(150,892)	(183,680)
	20	23,759	(9,852)	(43,885)	(77,918)	(113,062)	(150,290)	(187,762)
	23	45,324	7,683	(30,604)	(68,891)	(107,845)	(149,689)	(191,845)
	25	66,890	25,218	(17,323)	(59,864)	(102,629)	(149,122)	(195,928)
	28	88,455	42,754	(4,042)	(50,837)	(97,633)	(148,556)	(200,010)
	30	110,020	60,271	9,239	(41,810)	(92,860)	(147,989)	(204,093)
	33	131,585	77,781	22,520	(32,783)	(88,087)	(147,422)	(208,175)
	35	153,151	95,272	35,802	(23,756)	(83,314)	(146,855)	(212,258)
	38	174,716	112,704	49,083	(14,729)	(78,541)	(146,288)	(216,340)
	40	196,281	130,135	62,364	(5,702)	(73,768)	(145,721)	(220,423)
	43	217,846	147,566	75,645	3,325	(68,996)	(145,154)	(224,506)
	45	239,412	164,997	88,926	12,352	(64,223)	(144,587)	(228,588)
	48	260,977	182,428	102,207	21,379	(59,450)	(144,020)	(232,671)
	50	282,542	199,859	115,489	30,406	(54,677)	(143,453)	(236,753)
40.00	53	304,107	217,290	128,770	39,433	(49,904)	(142,886)	(240,836)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

10

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
		773,419	704,477	635,535	566,594	497,652	428,484	359,157
		630,112	562,513	494,913	427,070	359,092	291,115	221,614
Build Cost		486,806	420,258	353,630	287,002	218,755	149,811	79,491
100%		342,770	277,491	210,310	142,768	73,798	4,297	(65,205)
(105% = 5% increase)		196,281	130,135	62,364	(5,702)	(73,768)	(145,721)	(220,423)
		45,187	(21,443)	(88,074)	(159,786)	(232,722)	(306,088)	(379,455)
		(108,876)	(180,127)	(251,379)	(323,120)	(394,909)	(466,698)	(538,616)
		(276,426)	(346,463)	(416,674)	(486,885)	(557,096)	(627,735)	(698,547)
		(444,750)	(513,383)	(582,017)	(650,802)	(720,027)	(789,252)	(851,663)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(220,423)	75%	80%	85%	90%	95%	100%	105%
		5,396	(142,997)	(302,029)	(461,243)	(621,174)	(1,208,452)	(2,378,773)
		132,218	(12,254)	(162,353)	(321,385)	(480,586)	(640,517)	(1,126,740)
Market Values		255,881	114,792	(29,904)	(181,710)	(340,742)	(499,929)	(659,860)
100%		375,717	238,748	97,141	(47,555)	(201,067)	(360,098)	(519,273)
(105% = 5% increase)		495,024	359,157	221,614	79,491	(65,205)	(220,423)	(379,455)
		613,915	478,618	342,598	204,480	61,841	(82,855)	(239,780)
		732,805	597,550	462,058	326,038	187,347	44,190	(100,552)
		851,696	716,441	581,185	445,499	309,479	170,164	26,540
		970,150	835,331	700,076	564,821	428,940	292,920	152,899

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(220,423)	5%	10%	15%	20%	25%	30%	35%
£0		196,281	130,135	62,364	(5,702)	(73,768)	(145,721)	(220,423)
£2,000		162,117	95,305	27,239	(40,827)	(109,719)	(184,109)	(259,028)
£4,000		127,954	60,181	(7,885)	(75,952)	(148,107)	(222,688)	(297,632)
£6,000		93,122	25,056	(43,010)	(112,105)	(186,495)	(261,293)	(336,237)
£8,000		57,998	(10,069)	(78,135)	(150,493)	(224,954)	(299,898)	(374,842)
£10,000		22,873	(45,193)	(114,491)	(188,881)	(263,558)	(338,502)	(413,447)
£12,000		(12,252)	(80,318)	(152,879)	(227,268)	(302,163)	(377,107)	(452,051)
£14,000		(47,377)	(116,877)	(191,267)	(265,823)	(340,768)	(415,712)	(490,656)
£16,000		(82,501)	(155,265)	(229,654)	(304,428)	(379,372)	(454,316)	(529,338)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **C** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **20**
 Notes/Comments: **Median BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			20 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% % Rented						
Open Market Sale (OMS)			7.0% % of total (>10% First Homes PPG 023)						
Affordable Rent:			80.0%						
Social Rent:			0.0%						
First Homes:			0.0%						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100%		100.0%				
CIL Rate (£ psm)			0.00 £ psm						
OMS Floor areas, per Unit -									
	(sqm)	(sqft)	%	(sqm)	(sqm)	(sqft)		(sqm)	(sqft)
1 bed House	55.0	592			55.0	592			
2 bed House	72.0	775			72.0	775			
3 bed House	87.0	936		0.0	87.0	936			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	140.0	1,507		0.0	140.0	1,507			
1 bed Flat	55.0	592	85.0%		64.7	696			
2 bed Flat	70.0	753	85.0%		82.4	886			
3 bed Flat	0.0	0	85.0%		0.0	0			
AH Floor areas, per Unit -									
	(sqm)	(sqft)	%	Garage area (sqm)	Gross (GIA) per unit (sqm) (sqft)				
1 bed House	55.0	592			55.0	592			
2 bed House	72.0	775			72.0	775			
3 bed House	87.0	936		0.0	87.0	936			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	140.0	1,507		0.0	140.0	1,507			
1 bed Flat	55.0	592	85.0%		64.7	696			
2 bed Flat	70.0	753	85.0%		82.4	886			
3 bed Flat	0.0	0	85.0%		0.0	0			
Total Gross Overall Floor areas -									
	(sqm)	(sqft)	(sqm)	(sqft)	(sqm) (sqft)				
1 bed House	36	385	139	1,492	174	1,877			
2 bed House	281	3,023	161	1,736	442	4,759			
3 bed House	452	4,870	158	1,704	611	6,574			
4 bed House	299	3,218	40	433	339	3,652			
5 bed House	91	980	10	105	101	1,085			
1 bed Flat	0	0	0	0	0	0			
2 bed Flat	0	0	0	0	0	0			
3 bed Flat	0	0	0	0	0	0			
			1,159	12,475	508	5,471	1,667	17,946	
AH % by floor area:			30.49% AH % by floor area (difference due to mix)						
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	158,000	2,873	267	2,873	267	500,860			
2 bed House	238,000	3,306	307	3,306	307	1,461,320			
3 bed House	350,000	4,023	374	4,023	374	2,457,000			
4 bed House	450,000	3,913	364	3,913	364	1,327,500			
5 bed House	530,000	3,786	352	3,786	352	381,600			
1 bed Flat	158,000	2,873	267	2,442	227	0			
2 bed Flat	190,000	2,714	252	2,307	214	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						6,128,280			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed House	130,900	55%	0	0%	0	0%	142,800	60%	
3 bed House	192,500	55%	0	0%	0	0%	210,000	60%	
4 bed House	247,500	55%	0	0%	0	0%	270,000	60%	
5 bed House	291,500	55%	0	0%	0	0%	318,000	60%	
1 bed Flat	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 20

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.7	@	158,000	102,700
2 bed House	3.9	@	238,000	928,200
3 bed House	5.2	@	350,000	1,820,000
4 bed House	2.6	@	450,000	1,170,000
5 bed House	0.7	@	530,000	344,500
1 bed Flat	0.0	@	158,000	-
2 bed Flat	0.0	@	190,000	-
3 bed Flat	0.0	@	0	-
	13.0			4,365,400
Affordable Rent GDV -				
1 bed House	2.2	@	86,900	194,656
2 bed House	1.7	@	130,900	219,912
3 bed House	1.4	@	192,500	269,500
4 bed House	0.3	@	247,500	69,300
5 bed House	0.0	@	291,500	-
1 bed Flat	0.0	@	86,900	-
2 bed Flat	0.0	@	104,500	-
3 bed Flat	0.0	@	0	-
	5.6			753,368
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.3	@	94,800	26,544
2 bed House	0.6	@	142,800	79,968
3 bed House	0.4	@	210,000	88,200
4 bed House	0.1	@	270,000	18,900
5 bed House	0.1	@	318,000	22,260
1 bed Flat	0.0	@	94,800	-
2 bed Flat	0.0	@	114,000	-
3 bed Flat	0.0	@	0	-
	1.4	7.0		235,872
Sub-total GDV Residential				5,354,640
AH on-site cost analysis:				
464 £ psm (total GIA sqm)			£MV (no AH) less £GDV (inc. AH)	773,640
			38,682 £ per unit (total units)	
Grant				
	7	AH units @	0 per unit	-
Total GDV				5,354,640

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **20**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	12,700 £	(12,700)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	50,800 £	(50,800)
CIL (Mkrt only inc. garages)	Max	1,159 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		20 units @		6,600 per unit		(132,000)
S106 analysis:		165,000 £ per ha	2.47% % of GDV	6,600 £ per unit (total units)		(132,000)
AH Commuted Sum		1,667 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		0.80 ha @		0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15	20 units @		6,600 per unit		(132,000)
Infra. Costs analysis:		165,000 £ per ha	2.47% % of GDV	6,600 £ per unit (total units)		(132,000)
1 bed House		174 sqm @		1,797 psm		(313,307)
2 bed House		442 sqm @		1,797 psm		(794,418)
3 bed House (EXC. garage)		611 sqm @		1,797 psm		(1,097,500)
4 bed House (EXC. garage)		339 sqm @		1,797 psm		(609,632)
5 bed House (EXC. garage)		101 sqm @		1,797 psm		(181,138)
1 bed Flat		- sqm @		2,029 psm		-
2 bed Flat		- sqm @		2,029 psm		-
3 bed Flat		- sqm @		2,029 psm		-
Garages for 3B House	7.0	-	0 sqm @	500 psm		-
Garages for 4B House	3.0	-	0 sqm @	500 psm		-
Garages for 5B House	0.7	-	0 sqm @	500 psm		-
Total GIA check:		1,667 £ per garage		£0		
External works		2,995,994 @		10.0%		(299,599)
Ext. Works analysis:				14,980 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		20 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	13.0 units @	10%	10,000 £ per unit		(20,220)
M4(3) Category 3 Housing	Aff units	7.0 units @	30%	10,000 £ per unit		(13,000)
Part L/FHS - Houses		20 units @		5,000 £ per unit		(100,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.3% % of BCIS costs		
Water Efficiency		20 units @		9 £ per unit		(180)
Carbon / Energy Reduction		20 units @		0 £ per unit		-
Sub-total						(155,191)
Policy Costs analysis: (design costs only)				7,760 £ per unit (total units)		
				5.2% % of BCIS costs		
Contingency (on construction)		3,582,785 @		3.0%		(107,484)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **20**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

Professional Fees	3,582,785 @	8.0%		(286,623)
Disposal Costs -				
OMS Marketing and Promotion	4,365,400 OMS @	1.50%	3,274 £ per unit	(65,481)
Residential Sales Agent Costs	4,365,400 OMS @	1.50%	3,274 £ per unit	(65,481)
Residential Sales Legal Costs	4,365,400 OMS @	0.50%	1,091 £ per unit	(21,827)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			8,139 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(120,103)
Developers Profit -				
Profit on OMS	4,365,400	20.00%		(873,080)
Margin on AH	989,240	6.00% on AH values		(59,354)
Profit analysis:	5,354,640	17.41% blended GDV	(932,434)	
	4,455,283	20.93% on costs	(932,434)	
TOTAL COSTS				(5,387,717)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(33,077)
SDLT	- @	HMRC formula		-
Acquisition Agent fees	- @	1.0%		-
Acquisition Legal fees	- @	0.5%		-
Interest on Land	- @	7.00%		-
Residual Land Value				(33,077)
RLV analysis:	(1,654) £ per plot	(41,346) £ per ha (net)	(16,733) £ per acre (net)	
		(31,010) £ per ha (gross)	(12,549) £ per acre (gross)	
			-0.62% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	25.0 dph (net)			
Site Area (net)	0.80 ha (net)	1.98 acres (net)		
Net to Gross ratio	75%			
Site Area (gross)	1.07 ha (gross)	2.64 acres (gross)		
Density analysis:	2,084 sqm/ha (net)	9,078 sqft/ac (net)		
	19 dph (gross)			
Benchmark Land Value (net)	12,355 £ per plot	308,875 £ per ha (net)	125,000 £ per acre (net)	247,100
BLV analysis:		231,656 £ per ha (gross)	93,750 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)		(350,221) £ per ha (net)	(141,733) £ per acre (net)	(280,177)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

20

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.
Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%
£0		174,425	134,336	94,247	54,158	14,020	(26,887)	(68,929)
£1,000		164,258	124,169	84,080	43,991	3,796	(37,466)	(79,744)
Site Specific S106 Contributions		154,092	114,002	73,913	33,824	(6,429)	(48,045)	(90,560)
£6,600		143,925	103,835	63,746	23,657	(16,873)	(58,692)	(101,375)
£4,000		133,758	93,669	53,579	13,474	(27,452)	(69,507)	(112,190)
£5,000		123,591	83,502	43,413	3,249	(38,031)	(80,323)	(123,006)
£6,000		113,424	73,335	33,246	(6,975)	(48,610)	(91,138)	(134,641)
£7,000		103,257	63,168	23,079	(17,439)	(59,270)	(101,953)	(146,461)
£8,000		93,090	53,001	12,912	(28,018)	(70,085)	(112,769)	(158,281)
£9,000		82,923	42,834	2,703	(38,597)	(80,901)	(123,584)	(170,127)
£10,000		72,757	32,667	(7,522)	(49,176)	(91,716)	(135,273)	(182,014)
£11,000		62,590	22,501	(18,005)	(59,848)	(102,532)	(147,093)	(193,901)
£12,000		52,423	12,334	(28,584)	(70,664)	(113,347)	(158,913)	(205,788)
£13,000		42,256	2,156	(39,163)	(81,479)	(124,162)	(170,733)	(217,675)
£14,000		32,089	(8,068)	(49,742)	(92,294)	(135,905)	(182,565)	(229,561)
£15,000		21,922	(18,570)	(60,427)	(103,110)	(147,725)	(194,452)	(241,448)
£16,000		11,755	(29,149)	(71,242)	(113,925)	(159,545)	(206,339)	(253,335)
£17,000		1,588	(39,728)	(82,057)	(124,741)	(171,365)	(218,226)	(265,222)
£18,000		(8,615)	(50,307)	(92,873)	(136,536)	(183,185)	(230,113)	(277,109)
£19,000		(19,136)	(61,005)	(103,688)	(148,357)	(195,005)	(242,000)	(288,996)
£20,000		(29,715)	(71,820)	(114,503)	(160,177)	(206,891)	(253,887)	(300,883)
£21,000		(40,294)	(82,636)	(125,348)	(171,997)	(218,778)	(265,774)	(312,770)
£22,000		(50,873)	(93,451)	(137,168)	(183,817)	(230,665)	(277,661)	(324,657)
£23,000		(61,583)	(104,266)	(148,989)	(195,637)	(242,552)	(289,548)	(336,544)
£24,000		(72,399)	(115,082)	(160,809)	(207,457)	(254,438)	(301,434)	(348,430)
£25,000		(83,214)	(125,980)	(172,629)	(219,329)	(266,325)	(313,321)	(360,317)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%
15%		246,915	199,479	152,043	104,441	56,743	9,045	(39,636)
16%		218,997	173,030	127,063	80,931	34,702	(11,569)	(59,486)
17%		191,079	146,581	102,084	57,420	12,662	(32,854)	(79,692)
18%		163,160	120,132	77,104	33,910	(9,379)	(54,138)	(99,898)
19%		135,242	93,684	52,125	10,400	(32,153)	(75,867)	(120,104)
20%		107,324	67,235	27,146	(13,207)	(54,958)	(97,627)	(141,733)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

20

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	182,324	142,235	102,146	61,793	20,042	(22,627)	(66,733)
	60,000	172,324	132,235	92,146	51,793	10,042	(32,627)	(76,733)
	70,000	162,324	122,235	82,146	41,793	42	(42,627)	(86,733)
	80,000	152,324	112,235	72,146	31,793	(9,958)	(52,627)	(96,733)
	90,000	142,324	102,235	62,146	21,793	(19,958)	(62,627)	(106,733)
	100,000	132,324	92,235	52,146	11,793	(29,958)	(72,627)	(116,733)
	110,000	122,324	82,235	42,146	1,793	(39,958)	(82,627)	(126,733)
	120,000	112,324	72,235	32,146	(8,207)	(49,958)	(92,627)	(136,733)
	130,000	102,324	62,235	22,146	(18,207)	(59,958)	(102,627)	(146,733)
	140,000	92,324	52,235	12,146	(28,207)	(69,958)	(112,627)	(156,733)
	150,000	82,324	42,235	2,146	(38,207)	(79,958)	(122,627)	(166,733)
	160,000	72,324	32,235	(7,854)	(48,207)	(89,958)	(132,627)	(176,733)
125,000	170,000	62,324	22,235	(17,854)	(58,207)	(99,958)	(142,627)	(186,733)
	180,000	52,324	12,235	(27,854)	(68,207)	(109,958)	(152,627)	(196,733)
	190,000	42,324	2,235	(37,854)	(78,207)	(119,958)	(162,627)	(206,733)
	200,000	32,324	(7,765)	(47,854)	(88,207)	(129,958)	(172,627)	(216,733)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	14,394	(9,659)	(33,713)	(57,924)	(82,975)	(108,576)	(135,040)
	18	37,627	9,564	(18,498)	(46,745)	(75,970)	(105,839)	(136,713)
	20	60,859	28,788	(3,284)	(35,566)	(68,966)	(103,102)	(138,386)
	23	84,092	48,011	11,931	(24,387)	(61,962)	(100,364)	(140,059)
	25	107,324	67,235	27,146	(13,207)	(54,958)	(97,627)	(141,733)
	28	130,556	86,458	42,360	(2,028)	(47,953)	(94,890)	(143,406)
	30	153,789	105,682	57,575	9,151	(40,949)	(92,153)	(145,079)
	33	177,021	124,905	72,789	20,330	(33,945)	(89,415)	(146,752)
	35	200,253	144,129	88,004	31,510	(26,941)	(86,678)	(148,426)
	38	223,486	163,352	103,218	42,689	(19,936)	(83,941)	(150,099)
	40	246,718	182,576	118,433	53,868	(12,932)	(81,203)	(151,772)
	43	269,951	201,799	133,647	65,047	(5,928)	(78,466)	(153,445)
25.00	45	293,183	221,023	148,862	76,227	1,076	(75,729)	(155,119)
	48	316,415	240,246	164,077	87,406	8,080	(72,992)	(156,792)
	50	339,648	259,470	179,291	98,585	15,085	(70,254)	(158,465)
	53	362,880	278,693	194,506	109,764	22,089	(67,517)	(160,138)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

20

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%	
Build Cost	(105% = 5% increase)	80%	461,888	418,734	375,554	332,373	289,193	246,013	202,709
		85%	373,436	331,084	288,732	246,380	203,906	161,317	118,729
		90%	284,957	243,434	201,771	160,015	118,260	76,504	34,748
		95%	196,303	155,380	114,458	73,536	32,614	(8,519)	(51,074)
		100%	107,324	67,235	27,146	(13,207)	(54,958)	(97,627)	(141,733)
		105%	18,345	(21,425)	(62,459)	(104,256)	(148,009)	(193,764)	(239,786)
		110%	(73,520)	(114,430)	(158,160)	(202,871)	(247,878)	(292,926)	(337,974)
		115%	(172,185)	(215,927)	(259,867)	(303,940)	(348,014)	(392,088)	(436,452)
		120%	(275,751)	(318,851)	(361,951)	(405,050)	(448,253)	(491,724)	(535,195)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)							
Balance (RLV - BLV £ per acre (n))	(141,733)	75%	80%	85%	90%	95%	100%	105%	
Market Values	(105% = 5% increase)	80%	(12,210)	(100,578)	(196,223)	(294,411)	(392,950)	(491,693)	(1,118,863)
		85%	62,700	(21,926)	(110,511)	(207,114)	(305,302)	(403,825)	(502,568)
		90%	137,363	53,383	(31,642)	(120,444)	(218,005)	(316,192)	(414,701)
		95%	212,026	128,046	44,066	(41,358)	(130,877)	(228,895)	(327,083)
		100%	286,340	202,709	118,729	34,748	(51,074)	(141,733)	(239,786)
		105%	360,647	277,139	193,392	109,412	25,357	(60,907)	(152,588)
		110%	434,953	351,446	267,938	184,075	100,095	15,967	(70,840)
		115%	509,047	425,752	342,244	258,736	174,757	90,777	6,577
		120%	583,042	500,004	416,551	333,043	249,420	165,440	81,460

TABLE 7		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(141,733)	5%	10%	15%	20%	25%	30%	35%	
Carbon/Energy Reduction/FHS	£ per dwelling	£0	107,324	67,235	27,146	(13,207)	(54,958)	(97,627)	(141,733)
		£2,000	86,938	46,849	6,740	(34,420)	(76,630)	(119,313)	(165,433)
		£4,000	66,552	26,463	(13,882)	(55,633)	(98,317)	(142,486)	(189,268)
		£6,000	46,166	6,077	(35,094)	(77,320)	(120,003)	(166,187)	(213,103)
		£8,000	25,780	(14,556)	(56,323)	(99,006)	(143,240)	(189,942)	(236,938)
		£10,000	5,394	(35,768)	(78,009)	(120,692)	(166,940)	(213,777)	(260,773)
		£12,000	(15,231)	(57,012)	(99,695)	(143,993)	(190,641)	(237,612)	(284,608)
		£14,000	(36,443)	(78,699)	(121,382)	(167,694)	(214,451)	(261,447)	(308,443)
		£16,000	(57,702)	(100,385)	(144,747)	(191,395)	(238,286)	(285,282)	(332,278)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **D** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **20**
 Notes/Comments: **Median BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			20 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% Rented						
Open Market Sale (OMS)			7.0% % of total (>10% First Homes PPG 023)						
Affordable Rent:			80.0%						
Social Rent:			0.0%						
First Homes:			0.0%						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100%		100.0%				
CIL Rate (£ psm)			0.00 £ psm						
OMS Floor areas, per Unit -									
	(sqm)	(sqft)	%	(sqm)	(sqm)	(sqft)			
1 bed House	55.0	592			55.0	592			
2 bed House	72.0	775			72.0	775			
3 bed House	87.0	936		0.0	87.0	936			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	140.0	1,507		0.0	140.0	1,507			
1 bed Flat	55.0	592	85.0%		64.7	696			
2 bed Flat	70.0	753	85.0%		82.4	886			
3 bed Flat	0.0	0	85.0%		0.0	0			
AH Floor areas, per Unit -									
	(sqm)	(sqft)	%	Garage area (sqm)	Gross (GIA) per unit (sqm) (sqft)				
1 bed House	55.0	592			55.0	592			
2 bed House	72.0	775			72.0	775			
3 bed House	87.0	936		0.0	87.0	936			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	140.0	1,507		0.0	140.0	1,507			
1 bed Flat	55.0	592	85.0%		64.7	696			
2 bed Flat	70.0	753	85.0%		82.4	886			
3 bed Flat	0.0	0	85.0%		0.0	0			
Total Gross Overall Floor areas -									
	(sqm)	(sqft)	(sqm)	(sqft)	(sqm)	(sqft)			
1 bed House	36	385	139	1,492	174	1,877			
2 bed House	281	3,023	161	1,736	442	4,759			
3 bed House	452	4,870	158	1,704	611	6,574			
4 bed House	299	3,218	40	433	339	3,652			
5 bed House	91	980	10	105	101	1,085			
1 bed Flat	0	0	0	0	0	0			
2 bed Flat	0	0	0	0	0	0			
3 bed Flat	0	0	0	0	0	0			
	1,159	12,475	508	5,471	1,667	17,946			
AH % by floor area: 30.49% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	158,000	2,873	267	2,873	267	500,860			
2 bed House	238,000	3,306	307	3,306	307	1,461,320			
3 bed House	350,000	4,023	374	4,023	374	2,457,000			
4 bed House	450,000	3,913	364	3,913	364	1,327,500			
5 bed House	530,000	3,786	352	3,786	352	381,600			
1 bed Flat	158,000	2,873	267	2,442	227	0			
2 bed Flat	190,000	2,714	252	2,307	214	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						6,128,280			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed House	130,900	55%	0	0%	0	0%	142,800	60%	
3 bed House	192,500	55%	0	0%	0	0%	210,000	60%	
4 bed House	247,500	55%	0	0%	0	0%	270,000	60%	
5 bed House	291,500	55%	0	0%	0	0%	318,000	60%	
1 bed Flat	86,900	55%	0	0%	0	0%	94,800	60%	
2 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.7	@	158,000	102,700
2 bed House	3.9	@	238,000	928,200
3 bed House	5.2	@	350,000	1,820,000
4 bed House	2.6	@	450,000	1,170,000
5 bed House	0.7	@	530,000	344,500
1 bed Flat	0.0	@	158,000	-
2 bed Flat	0.0	@	190,000	-
3 bed Flat	0.0	@	0	-
	13.0			4,365,400
Affordable Rent GDV -				
1 bed House	2.2	@	86,900	194,656
2 bed House	1.7	@	130,900	219,912
3 bed House	1.4	@	192,500	269,500
4 bed House	0.3	@	247,500	69,300
5 bed House	0.0	@	291,500	-
1 bed Flat	0.0	@	86,900	-
2 bed Flat	0.0	@	104,500	-
3 bed Flat	0.0	@	0	-
	5.6			753,368
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.3	@	94,800	26,544
2 bed House	0.6	@	142,800	79,968
3 bed House	0.4	@	210,000	88,200
4 bed House	0.1	@	270,000	18,900
5 bed House	0.1	@	318,000	22,260
1 bed Flat	0.0	@	94,800	-
2 bed Flat	0.0	@	114,000	-
3 bed Flat	0.0	@	0	-
	1.4	7.0		235,872
Sub-total GDV Residential				5,354,640
AH on-site cost analysis:				
464 £ psm (total GIA sqm)				£MV (no AH) less £GDV (inc. AH) 773,640
				38,682 £ per unit (total units)
Grant				
	7	AH units @	0 per unit	-
Total GDV				5,354,640

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **20**

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	12,700 £	(12,700)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	50,800 £	(50,800)
CIL (Mkrt only inc. garages)	Max	1,159 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		20 units @	6,600 per unit		(132,000)
S106 analysis:		2.47% % of GDV	6,600 £ per unit (total units)		(132,000)
Sub-total					
AH Commuted Sum		1,667 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		0.50 ha @	110,000 £ per ha (if brownfield)		(55,000)
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	20 units @	6,600 per unit		(132,000)
Infra. Costs analysis:		2.47% % of GDV	6,600 £ per unit (total units)		(132,000)
Sub-total					
1 bed House		174 sqm @	1,797 psm		(313,307)
2 bed House		442 sqm @	1,797 psm		(794,418)
3 bed House (EXC. garage)		611 sqm @	1,797 psm		(1,097,500)
4 bed House (EXC. garage)		339 sqm @	1,797 psm		(609,632)
5 bed House (EXC. garage)		101 sqm @	1,797 psm		(181,138)
1 bed Flat		- sqm @	2,029 psm		-
2 bed Flat		- sqm @	2,029 psm		-
3 bed Flat		- sqm @	2,029 psm		-
Garages for 3B House	7.0	0 sqm @	500 psm		-
Garages for 4B House	3.0	0 sqm @	500 psm		-
Garages for 5B House	0.7	0 sqm @	500 psm		-
Total GIA check:		1,667 £ per garage	£0		
External works		2,995,994 @	10.0%		(299,599)
Ext. Works analysis:			14,980 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		20 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	13.0 units @	10%	10,000 £ per unit	(13,000)
M4(3) Category 3 Housing	Aff units	7.0 units @	30%	10,000 £ per unit	(21,000)
Part L/FHS - Houses		20 units @		5,000 £ per unit	(100,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			3.3% % of BCIS costs		
Water Efficiency		20 units @	9 £ per unit		(180)
Carbon / Energy Reduction		20 units @	0 £ per unit		-
Sub-total					(140,711)
Policy Costs analysis: (design costs only)			7,036 £ per unit (total units)		
			4.7% % of BCIS costs		
Contingency (on construction)		3,623,305 @	5.0%		(181,165)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **20**

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

Professional Fees	3,623,305 @	8.0%		(289,864)
Disposal Costs -				
OMS Marketing and Promotion	4,365,400 OMS @	1.50%	3,274 £ per unit	(65,481)
Residential Sales Agent Costs	4,365,400 OMS @	1.50%	3,274 £ per unit	(65,481)
Residential Sales Legal Costs	4,365,400 OMS @	0.50%	1,091 £ per unit	(21,827)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			8,139 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(104,545)
Developers Profit -				
Profit on OMS	4,365,400	20.00%		(873,080)
Margin on AH	989,240	6.00% on AH values		(59,354)
Profit analysis:	5,354,640	17.41% blended GDV	(932,434)	
	4,557,168	20.46% on costs	(932,434)	
TOTAL COSTS				(5,489,603)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(134,963)
SDLT	- @	HMRC formula		-
Acquisition Agent fees	- @	1.0%		-
Acquisition Legal fees	- @	0.5%		-
Interest on Land	- @	7.00%		-
Residual Land Value				(134,963)
RLV analysis:	(6,748) £ per plot	(269,926) £ per ha (net)	(109,237) £ per acre (net)	
		(215,940) £ per ha (gross)	(87,390) £ per acre (gross)	
			-2.52% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	40.0 dph (net)			
Site Area (net)	0.50 ha (net)	1.24 acres (net)		
Net to Gross ratio	80%			
Site Area (gross)	0.63 ha (gross)	1.54 acres (gross)		
Density analysis:	3,334 sqm/ha (net)	14,525 sqft/ac (net)		
	32 dph (gross)			
Benchmark Land Value (net)	7,722 £ per plot	308,875 £ per ha (net)	125,000 £ per acre (net)	154,438
BLV analysis:		247,100 £ per ha (gross)	100,000 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)		(578,801) £ per ha (net)	(234,237) £ per acre (net)	(289,400)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
£0		282,850	219,013	155,177	91,285	25,940	(41,137)	(109,104)
£1,000		266,382	202,546	138,710	74,724	8,804	(58,655)	(126,773)
Site Specific S106 Contributions		249,914	186,078	122,242	58,151	(8,331)	(76,173)	(145,918)
£6,600		233,446	169,610	105,774	41,015	(25,724)	(93,691)	(165,064)
		216,979	153,143	89,294	23,880	(43,242)	(111,209)	(184,209)
		200,511	136,675	72,734	6,745	(60,760)	(129,074)	(203,431)
		184,043	120,207	56,091	(10,390)	(78,279)	(148,219)	(222,685)
		167,575	103,739	38,956	(27,830)	(95,797)	(167,365)	(241,939)
		151,108	87,272	21,821	(45,348)	(113,315)	(186,510)	(261,193)
		134,640	70,743	4,685	(62,866)	(131,375)	(205,656)	(280,446)
		118,172	54,031	(12,450)	(80,384)	(150,520)	(224,865)	(299,700)
		101,704	36,896	(29,935)	(97,902)	(169,666)	(244,119)	(318,954)
		85,237	19,761	(47,453)	(115,420)	(188,811)	(263,372)	(338,208)
		68,753	2,626	(64,972)	(133,676)	(207,957)	(282,626)	(357,461)
		51,972	(14,523)	(82,490)	(152,821)	(227,102)	(301,880)	(376,715)
		34,837	(32,041)	(100,008)	(171,967)	(246,299)	(321,134)	(395,969)
		17,702	(49,559)	(117,526)	(191,112)	(265,552)	(340,387)	(415,223)
		566	(67,077)	(135,977)	(210,258)	(284,806)	(359,641)	(434,476)
		(16,628)	(84,595)	(155,123)	(229,403)	(304,060)	(378,895)	(453,730)
		(34,146)	(102,113)	(174,268)	(248,549)	(323,314)	(398,149)	(472,984)
		(51,665)	(119,631)	(193,414)	(267,732)	(342,567)	(417,402)	(492,237)
		(69,183)	(138,278)	(212,559)	(286,986)	(361,821)	(436,656)	(511,491)
		(86,701)	(157,424)	(231,705)	(306,240)	(381,075)	(455,910)	(530,745)
		(104,219)	(176,569)	(250,850)	(325,493)	(400,328)	(475,164)	(550,052)
		(121,737)	(195,715)	(269,996)	(344,747)	(419,582)	(494,417)	(569,414)
		(140,579)	(214,860)	(289,166)	(364,001)	(438,836)	(513,671)	(588,777)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
15%		397,508	321,917	246,072	170,064	94,056	16,644	(63,303)
16%		352,839	279,599	206,105	132,448	58,791	(17,490)	(95,633)
Profit		308,170	237,281	166,138	94,832	22,312	(52,306)	(128,238)
20%		263,501	194,963	126,170	57,170	(14,182)	(87,123)	(163,571)
		218,832	152,645	86,203	18,249	(51,486)	(121,940)	(198,904)
		174,162	110,326	45,810	(20,823)	(88,789)	(159,706)	(234,237)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 125,000	50,000	249,162	185,326	120,810	54,177	(13,789)	(84,706)	(159,237)
	60,000	239,162	175,326	110,810	44,177	(23,789)	(94,706)	(169,237)
	70,000	229,162	165,326	100,810	34,177	(33,789)	(104,706)	(179,237)
	80,000	219,162	155,326	90,810	24,177	(43,789)	(114,706)	(189,237)
	90,000	209,162	145,326	80,810	14,177	(53,789)	(124,706)	(199,237)
	100,000	199,162	135,326	70,810	4,177	(63,789)	(134,706)	(209,237)
	110,000	189,162	125,326	60,810	(5,823)	(73,789)	(144,706)	(219,237)
	120,000	179,162	115,326	50,810	(15,823)	(83,789)	(154,706)	(229,237)
	130,000	169,162	105,326	40,810	(25,823)	(93,789)	(164,706)	(239,237)
	140,000	159,162	95,326	30,810	(35,823)	(103,789)	(174,706)	(249,237)
	150,000	149,162	85,326	20,810	(45,823)	(113,789)	(184,706)	(259,237)
	160,000	139,162	75,326	10,810	(55,823)	(123,789)	(194,706)	(269,237)
	170,000	129,162	65,326	810	(65,823)	(133,789)	(204,706)	(279,237)
	180,000	119,162	55,326	(9,190)	(75,823)	(143,789)	(214,706)	(289,237)
	190,000	109,162	45,326	(19,190)	(85,823)	(153,789)	(224,706)	(299,237)
	200,000	99,162	35,326	(29,190)	(95,823)	(163,789)	(234,706)	(309,237)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
Density (dph) 40.00	15	(42,269)	(66,665)	(91,780)	(117,268)	(144,405)	(172,339)	(200,403)
	18	(20,626)	(48,769)	(77,888)	(107,623)	(138,507)	(171,046)	(203,786)
	20	1,017	(30,953)	(64,114)	(97,979)	(132,609)	(169,752)	(207,170)
	23	22,660	(13,273)	(50,374)	(88,334)	(126,711)	(168,494)	(210,553)
	25	44,303	4,406	(36,633)	(78,690)	(121,169)	(167,239)	(213,936)
	28	65,947	22,059	(22,893)	(69,045)	(115,772)	(165,983)	(217,320)
	30	87,590	39,713	(9,152)	(59,401)	(110,376)	(164,728)	(220,703)
	33	109,233	57,366	4,588	(49,756)	(104,979)	(163,472)	(224,087)
	35	130,876	75,020	18,329	(40,112)	(99,583)	(162,217)	(227,470)
	38	152,519	92,673	32,069	(30,467)	(94,186)	(160,962)	(230,854)
	40	174,162	110,326	45,810	(20,823)	(88,789)	(159,706)	(234,237)
	43	195,806	127,980	59,550	(11,178)	(83,393)	(158,451)	(237,621)
	45	217,449	145,633	73,291	(1,534)	(77,996)	(157,196)	(241,004)
	48	239,092	163,287	87,031	8,085	(72,600)	(155,940)	(244,388)
	50	260,735	180,940	100,772	17,670	(67,203)	(154,685)	(247,771)
	53	282,378	198,594	114,513	27,256	(61,807)	(153,430)	(251,155)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
		748,877	680,028	611,179	542,330	473,481	404,460	335,226
		605,571	538,064	470,557	402,859	334,974	267,090	199,206
Build Cost		462,265	395,860	329,326	262,791	196,256	129,721	62,803
100%		318,279	253,093	187,908	122,722	57,189	(10,697)	(80,027)
(105% = 5% increase)		174,162	110,326	45,810	(20,823)	(88,789)	(159,706)	(234,237)
		28,815	(36,762)	(103,293)	(173,989)	(246,754)	(320,012)	(393,269)
		(123,539)	(194,547)	(265,690)	(337,262)	(408,941)	(480,621)	(552,367)
		(290,954)	(360,823)	(430,925)	(501,027)	(571,129)	(641,595)	(712,298)
		(459,219)	(527,743)	(596,267)	(664,882)	(733,997)	(803,113)	(872,229)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(234,237)	75%	80%	85%	90%	95%	100%	105%
		(9,524)	(156,828)	(315,843)	(474,994)	(634,925)	(1,155,817)	(2,339,410)
		112,860	(27,077)	(176,168)	(335,199)	(494,337)	(654,268)	(1,072,778)
Market Values		232,325	96,174	(44,727)	(195,524)	(354,556)	(513,680)	(673,611)
100%		351,785	215,765	79,488	(62,377)	(214,881)	(373,913)	(533,024)
(105% = 5% increase)		471,039	335,226	199,206	62,803	(80,027)	(234,237)	(393,269)
		589,930	454,674	318,666	182,646	45,686	(97,678)	(253,594)
		708,820	573,565	438,127	302,107	166,087	28,422	(115,328)
		827,711	692,455	557,200	421,568	285,548	149,528	11,157
		946,111	811,346	676,091	540,836	405,008	268,988	132,848

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(234,237)	5%	10%	15%	20%	25%	30%	35%
£0		174,162	110,326	45,810	(20,823)	(88,789)	(159,706)	(234,237)
£2,000		141,144	77,284	11,453	(55,947)	(123,914)	(198,094)	(272,842)
£4,000		108,125	43,577	(23,105)	(91,072)	(162,201)	(236,612)	(311,447)
£6,000		75,107	9,220	(58,230)	(126,308)	(200,589)	(275,216)	(350,051)
£8,000		41,345	(25,387)	(93,354)	(164,695)	(238,986)	(313,821)	(388,656)
£10,000		6,988	(60,512)	(128,802)	(203,083)	(277,591)	(352,426)	(427,261)
£12,000		(27,670)	(95,637)	(167,190)	(241,471)	(316,195)	(391,030)	(465,866)
£14,000		(62,795)	(131,297)	(205,578)	(279,965)	(354,800)	(429,635)	(504,470)
£16,000		(97,919)	(169,684)	(243,965)	(318,570)	(393,405)	(468,240)	(543,089)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **E** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **50**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				50 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %									
Open Market Sale (OMS)									
Affordable Rent:				80.0%					
Social Rent:				0.0%					
First Homes:				0.0%					
Other Intermediate (LCHO/Sub-Market etc.):				20.0%					
				100%		100.0%			
CIL Rate (£ psm)				0.00 £ psm					
OMS Floor areas, per Unit -									
	(sqm)	(sqft)		%	(sqm)		(sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	(sqm)	(sqft)		%	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	(sqm)	(sqft)		(sqm)	(sqft)		(sqm)	(sqft)	
1 bed House	73	787		284	3,052		357	3,839	
2 bed House	683	7,346		392	4,219		1,075	11,566	
3 bed House	1,092	11,754		382	4,114		1,474	15,868	
4 bed House	715	7,696		96	1,036		811	8,732	
5 bed House	219	2,361		24	254		243	2,616	
1 bed Flat	0	0		0	0		0	0	
2 bed Flat	0	0		0	0		0	0	
3 bed Flat	0	0		0	0		0	0	
	2,782	29,945		1,178	12,675		3,960	42,621	
AH % by floor area: 29.74% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	148,000	3,289	306	3,289	306		1,172,900		
2 bed House	221,000	3,157	293	3,157	293		3,392,350		
3 bed House	280,000	3,333	310	3,333	310		4,914,000		
4 bed House	410,000	3,727	346	3,727	346		3,023,750		
5 bed House	500,000	3,704	344	3,704	344		900,000		
1 bed Flat	148,000	3,289	306	2,796	260		0		
2 bed Flat	179,000	2,983	277	2,536	236		0		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							13,403,000		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

50

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	1.6	@	148,000	240,500
2 bed House	9.8	@	221,000	2,154,750
3 bed House	13.0	@	280,000	3,640,000
4 bed House	6.5	@	410,000	2,665,000
5 bed House	1.6	@	500,000	812,500
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	32.5			9,512,750
Affordable Rent GDV -				
1 bed House	5.6	@	81,400	455,840
2 bed House	4.2	@	121,550	510,510
3 bed House	3.5	@	154,000	539,000
4 bed House	0.7	@	225,500	157,850
5 bed House	0.0	@	275,000	-
1 bed Flat	0.0	@	81,400	-
2 bed Flat	0.0	@	98,450	-
3 bed Flat	0.0	@	0	-
	14.0			1,663,200
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.7	@	88,800	62,160
2 bed House	1.4	@	132,600	185,640
3 bed House	1.1	@	168,000	176,400
4 bed House	0.2	@	246,000	43,050
5 bed House	0.2	@	300,000	52,500
1 bed Flat	0.0	@	88,800	-
2 bed Flat	0.0	@	107,400	-
3 bed Flat	0.0	@	0	-
	3.5	17.5		519,750
Sub-total GDV Residential	50			11,695,700
AH on-site cost analysis:				
		431 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH) 1,707,300
				34,146 £ per unit (total units)
Grant	18	AH units @	0 per unit	-
Total GDV				11,695,700

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	31,750 £	(31,750)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	127,000 £	(127,000)
CIL (Mrkt only inc. garages)	Max	2,782 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		50 units @	6,600 per unit		(330,000)
S106 analysis:		198,000 £ per ha	2.82% % of GDV	6,600 £ per unit (total units)	
AH Commuted Sum		3,960 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		1.67 ha @	0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
	Years 1-15	50 units @	6,600 per unit		(330,000)
Infra. Costs analysis:		198,000 £ per ha	2.82% % of GDV	6,600 £ per unit (total units)	
1 bed House		357 sqm @	1,510 psm		(538,504)
2 bed House		1,075 sqm @	1,510 psm		(1,622,495)
3 bed House (EXC. garage)		1,474 sqm @	1,510 psm		(2,226,042)
4 bed House (EXC. garage)		811 sqm @	1,510 psm		(1,224,988)
5 bed House (EXC. garage)		243 sqm @	1,510 psm		(366,930)
1 bed Flat		- sqm @	1,685 psm		-
2 bed Flat		- sqm @	1,685 psm		-
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	17.6	-	0 sqm @	500 psm	-
Garages for 4B House	7.4	-	0 sqm @	500 psm	-
Garages for 5B House	1.8	-	0 sqm @	500 psm	-
Total GIA check:		3,960 £ per garage	£0		
External works		5,978,958 @	15.0%		(896,844)
Ext. Works analysis:			17,937 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		50 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	32.5 units @	10%	10,000 £ per unit	(32,500)
M4(3) Category 3 Housing	Aff units	17.5 units @	30%	10,000 £ per unit	(52,500)
Part L/FHS - Houses		50 units @		5,000 £ per unit	(250,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			4.2% % of BCIS costs		
Water Efficiency		50 units @		9 £ per unit	(450)
Carbon / Energy Reduction		50 units @		0 £ per unit	-
Sub-total					(386,791)
Policy Costs analysis: (design costs only)			7,736 £ per unit (total units)		
			6.5% % of BCIS costs		
Contingency (on construction)		7,592,593 @	3.0%		(227,778)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **50**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

Professional Fees	7,592,593	@	8.0%		(607,407)
Disposal Costs -					
OMS Marketing and Promotion	9,512,750	OMS @	1.50%	2,854 £ per unit	(142,691)
Residential Sales Agent Costs	9,512,750	OMS @	1.50%	2,854 £ per unit	(142,691)
Residential Sales Legal Costs	9,512,750	OMS @	0.50%	951 £ per unit	(47,564)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,859 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR		0.565% pcm	(251,370)
Developers Profit -					
Profit on OMS	9,512,750		20.00%		(1,902,550)
Margin on AH	2,182,950		6.00%	on AH values	(130,977)
Profit analysis:	11,695,700		17.39%	blended GDV	(2,033,527)
	9,510,844		21.38%	on costs	(2,033,527)
TOTAL COSTS					(11,544,371)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					151,329
SDLT	151,329	@	HMRC formula		(27)
Acquisition Agent fees	151,329	@	1.0%		(1,513)
Acquisition Legal fees	151,329	@	0.5%		(757)
Interest on Land	151,329	@	7.00%		(10,593)
Residual Land Value					138,439
RLV analysis:	2,769 £ per plot		83,064 £ per ha (net)	33,615 £ per acre (net)	
			62,298 £ per ha (gross)	25,212 £ per acre (gross)	
				1.18% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	30.0	dph (net)			
Site Area (net)	1.67	ha (net)	4.12	acres (net)	
Net to Gross ratio	75%				
Site Area (gross)	2.22	ha (gross)	5.49	acres (gross)	
Density analysis:	2,376	sqm/ha (net)	10,349	sqft/ac (net)	
	23	dph (gross)			
Benchmark Land Value (net)	10,296 £ per plot	308,875 £ per ha (net)	125,000	£ per acre (net)	514,792
BLV analysis:		231,656 £ per ha (gross)	93,750	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)	(225,811)	£ per ha (net)	(91,385)	£ per acre (net)	(376,352)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
£0		226,136	186,879	147,621	108,364	69,107	29,828	(9,689)
£1,000		213,935	174,678	135,421	96,164	56,907	17,558	(21,958)
Site Specific S106 Contributions		201,735	162,478	123,221	83,964	44,707	5,289	(34,227)
£6,600		189,535	150,278	111,021	71,763	32,506	(6,980)	(46,497)
		177,335	138,078	98,820	59,563	20,267	(19,249)	(58,766)
		165,134	125,877	86,620	47,363	7,998	(31,519)	(71,073)
		152,934	113,677	74,420	35,163	(4,271)	(43,788)	(83,768)
		140,734	101,477	62,220	22,962	(16,541)	(56,057)	(96,570)
		128,534	89,277	50,019	10,707	(28,810)	(68,326)	(109,548)
		116,333	77,076	37,819	(1,562)	(41,079)	(80,965)	(122,526)
		104,133	64,876	25,619	(13,832)	(53,348)	(93,704)	(136,481)
		91,933	52,676	13,416	(26,101)	(65,617)	(106,683)	(150,665)
		79,733	40,476	1,146	(38,370)	(78,162)	(119,661)	(164,849)
		67,532	28,275	(11,123)	(50,639)	(90,857)	(133,349)	(179,103)
		55,332	16,075	(23,392)	(62,909)	(103,817)	(147,533)	(193,367)
		43,132	3,855	(35,661)	(75,359)	(116,796)	(161,717)	(207,632)
		30,932	(8,414)	(47,931)	(88,054)	(130,218)	(175,901)	(221,896)
		18,731	(20,683)	(60,200)	(100,952)	(144,402)	(190,130)	(236,160)
		6,531	(32,952)	(72,557)	(113,930)	(158,586)	(204,394)	(250,424)
		(5,705)	(45,222)	(85,251)	(127,086)	(172,770)	(218,658)	(264,689)
		(17,974)	(57,491)	(98,086)	(141,270)	(186,954)	(232,923)	(278,953)
		(30,244)	(69,760)	(111,065)	(155,454)	(201,156)	(247,187)	(293,217)
		(42,513)	(82,449)	(124,043)	(169,638)	(215,421)	(261,451)	(307,482)
		(54,782)	(95,221)	(138,138)	(183,822)	(229,685)	(275,715)	(321,746)
		(67,051)	(108,199)	(152,322)	(198,006)	(243,949)	(289,980)	(336,010)
		(79,646)	(121,178)	(166,507)	(212,190)	(258,213)	(304,244)	(350,274)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
15%		291,623	244,682	197,740	150,798	103,638	56,437	9,235
16%		262,422	217,017	171,612	126,207	80,584	34,919	(10,745)
17%		233,220	189,352	145,484	101,616	57,530	13,402	(30,725)
18%		204,018	161,687	119,356	77,025	34,475	(8,115)	(50,705)
19%		174,816	134,022	93,228	52,434	11,421	(29,632)	(70,711)
20%		145,614	106,357	67,100	27,843	(11,633)	(51,149)	(91,385)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	220,614	181,357	142,100	102,843	63,367	23,851	(16,385)
	60,000	210,614	171,357	132,100	92,843	53,367	13,851	(26,385)
	70,000	200,614	161,357	122,100	82,843	43,367	3,851	(36,385)
	80,000	190,614	151,357	112,100	72,843	33,367	(6,149)	(46,385)
	90,000	180,614	141,357	102,100	62,843	23,367	(16,149)	(56,385)
	100,000	170,614	131,357	92,100	52,843	13,367	(26,149)	(66,385)
	110,000	160,614	121,357	82,100	42,843	3,367	(36,149)	(76,385)
	120,000	150,614	111,357	72,100	32,843	(6,633)	(46,149)	(86,385)
	130,000	140,614	101,357	62,100	22,843	(16,633)	(56,149)	(96,385)
	140,000	130,614	91,357	52,100	12,843	(26,633)	(66,149)	(106,385)
	150,000	120,614	81,357	42,100	2,843	(36,633)	(76,149)	(116,385)
	160,000	110,614	71,357	32,100	(7,157)	(46,633)	(86,149)	(126,385)
	170,000	100,614	61,357	22,100	(17,157)	(56,633)	(96,149)	(136,385)
	180,000	90,614	51,357	12,100	(27,157)	(66,633)	(106,149)	(146,385)
	190,000	80,614	41,357	2,100	(37,157)	(76,633)	(116,149)	(156,385)
	200,000	70,614	31,357	(7,900)	(47,157)	(86,633)	(126,149)	(166,385)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	10,307	(9,322)	(28,950)	(48,579)	(68,316)	(88,075)	(108,192)
	18	32,858	9,958	(12,942)	(35,842)	(58,869)	(81,920)	(105,391)
	20	55,409	29,238	3,066	(23,105)	(49,422)	(75,766)	(102,590)
	23	77,961	48,518	19,075	(10,368)	(39,975)	(69,612)	(99,788)
	25	100,512	67,797	35,083	2,369	(30,527)	(63,458)	(96,987)
	28	123,063	87,077	51,091	15,106	(21,080)	(57,304)	(94,186)
	30	145,614	106,357	67,100	27,843	(11,633)	(51,149)	(91,385)
	33	168,165	125,637	83,108	40,579	(2,186)	(44,995)	(88,583)
	35	190,716	144,916	99,116	53,316	7,262	(38,841)	(85,782)
	38	213,268	164,196	115,125	66,053	16,709	(32,687)	(82,981)
	40	235,819	183,476	131,133	78,790	26,156	(26,532)	(80,180)
	43	258,370	202,756	147,141	91,527	35,604	(20,378)	(77,378)
	45	280,921	222,035	163,150	104,264	45,051	(14,224)	(74,577)
	48	303,472	241,315	179,158	117,001	54,498	(8,070)	(71,776)
	50	326,023	260,595	195,166	129,738	63,945	(1,916)	(68,974)
	53	348,575	279,875	211,175	142,475	73,393	4,239	(66,173)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 5

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
		503,744	460,965	418,060	375,155	332,250	289,344	246,439
		414,440	372,502	330,564	288,625	246,687	204,551	162,377
Build Cost		325,010	284,039	243,067	201,880	160,679	119,477	78,275
100%		235,550	195,320	155,091	114,861	74,632	34,403	(6,088)
(105% = 5% increase)		145,614	106,357	67,100	27,843	(11,633)	(51,149)	(91,385)
		55,678	17,393	(21,088)	(59,627)	(99,312)	(141,479)	(186,142)
		(34,455)	(72,088)	(111,383)	(153,541)	(196,964)	(240,716)	(284,473)
		(127,831)	(170,124)	(212,417)	(254,942)	(297,563)	(340,183)	(382,803)
		(232,391)	(273,716)	(315,199)	(356,683)	(398,166)	(439,760)	(481,612)

TABLE 6

		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(91,385)	75%	80%	85%	90%	95%	100%	105%
		18,158	(66,419)	(158,064)	(256,394)	(354,809)	(453,696)	(721,003)
		96,294	12,097	(72,569)	(165,084)	(263,414)	(361,788)	(460,675)
Market Values		174,390	90,288	6,035	(78,841)	(172,103)	(270,433)	(368,767)
100%		252,345	168,384	84,282	(27)	(85,113)	(179,123)	(277,453)
(105% = 5% increase)		330,068	246,439	162,377	78,275	(6,088)	(91,385)	(186,142)
		407,792	324,162	240,473	156,371	72,269	(12,150)	(97,790)
		485,472	401,886	318,256	234,467	150,365	66,263	(18,212)
		562,870	479,609	395,980	312,350	228,461	144,359	60,257
		640,268	557,109	473,703	390,073	306,444	222,454	138,352

TABLE 7

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(91,385)	5%	10%	15%	20%	25%	30%	35%
	£0	145,614	106,357	67,100	27,843	(11,633)	(51,149)	(91,385)
	£2,000	121,151	81,894	42,637	3,282	(36,234)	(75,952)	(117,402)
Carbon/Energy Reduction/FHS		96,688	57,430	18,173	(21,319)	(60,836)	(101,625)	(145,137)
£0.00		72,224	32,967	(6,404)	(45,921)	(85,975)	(127,894)	(173,617)
£ per dwelling		47,761	8,504	(31,006)	(70,543)	(111,871)	(156,335)	(202,219)
	£10,000	23,298	(16,091)	(55,607)	(96,094)	(139,093)	(184,791)	(230,821)
	£12,000	(1,176)	(40,692)	(80,565)	(122,117)	(167,534)	(213,392)	(259,423)
	£14,000	(25,777)	(65,294)	(106,340)	(150,291)	(195,975)	(241,994)	(288,025)
	£16,000	(50,379)	(90,587)	(133,048)	(178,732)	(224,566)	(270,596)	(316,627)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1

Appraisal Ref: **F** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **50**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			50 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% Rented						
			7.0% % of total (>10% First Homes PPG 023)						
Open Market Sale (OMS)			100%						
Affordable Rent:			80.0%						
Social Rent:			0.0%						
First Homes:			0.0%						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100.0%						
CIL Rate (£ psm)			0.00 £ psm						
OMS Floor areas, per Unit -									
	(sqm)	(sqft)	%	(sqm)	(sqm)	(sqft)			
1 bed House	45.0	484			45.0	484			
2 bed House	70.0	753			70.0	753			
3 bed House	84.0	904		0.0	84.0	904			
4 bed House	110.0	1,184		0.0	110.0	1,184			
5 bed House	135.0	1,453		0.0	135.0	1,453			
1 bed Flat	45.0	484	85.0%		52.9	570			
2 bed Flat	60.0	646	85.0%		70.6	760			
3 bed Flat	0.0	0	85.0%		0.0	0			
AH Floor areas, per Unit -									
	(sqm)	(sqft)	%	Garage area (sqm)	Gross (GIA) per unit (sqm)	(sqft)			
1 bed House	45.0	484			45.0	484			
2 bed House	70.0	753			70.0	753			
3 bed House	84.0	904		0.0	84.0	904			
4 bed House	110.0	1,184		0.0	110.0	1,184			
5 bed House	135.0	1,453		0.0	135.0	1,453			
1 bed Flat	45.0	484	85.0%		52.9	570			
2 bed Flat	60.0	646	85.0%		70.6	760			
3 bed Flat	0.0	0	85.0%		0.0	0			
Total Gross Overall Floor areas -									
	(sqm)	(sqft)	(sqm)	(sqft)	(sqm)	(sqft)			
1 bed House	73	787	284	3,052	357	3,839			
2 bed House	683	7,346	392	4,219	1,075	11,566			
3 bed House	1,092	11,754	382	4,114	1,474	15,868			
4 bed House	715	7,696	96	1,036	811	8,732			
5 bed House	219	2,361	24	254	243	2,616			
1 bed Flat	0	0	0	0	0	0			
2 bed Flat	0	0	0	0	0	0			
3 bed Flat	0	0	0	0	0	0			
			2,782	29,945	1,178	12,675	3,960	42,621	
AH % by floor area:			29.74% AH % by floor area (difference due to mix)						
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	148,000	3,289	306	3,289	306	1,172,900			
2 bed House	221,000	3,157	293	3,157	293	3,392,350			
3 bed House	280,000	3,333	310	3,333	310	4,914,000			
4 bed House	410,000	3,727	346	3,727	346	3,023,750			
5 bed House	500,000	3,704	344	3,704	344	900,000			
1 bed Flat	148,000	3,289	306	2,796	260	0			
2 bed Flat	179,000	2,983	277	2,536	236	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						13,403,000			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

50

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	1.6	@	148,000	240,500
2 bed House	9.8	@	221,000	2,154,750
3 bed House	13.0	@	280,000	3,640,000
4 bed House	6.5	@	410,000	2,665,000
5 bed House	1.6	@	500,000	812,500
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	32.5			9,512,750
Affordable Rent GDV -				
1 bed House	5.6	@	81,400	455,840
2 bed House	4.2	@	121,550	510,510
3 bed House	3.5	@	154,000	539,000
4 bed House	0.7	@	225,500	157,850
5 bed House	0.0	@	275,000	-
1 bed Flat	0.0	@	81,400	-
2 bed Flat	0.0	@	98,450	-
3 bed Flat	0.0	@	0	-
	14.0			1,663,200
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.7	@	88,800	62,160
2 bed House	1.4	@	132,600	185,640
3 bed House	1.1	@	168,000	176,400
4 bed House	0.2	@	246,000	43,050
5 bed House	0.2	@	300,000	52,500
1 bed Flat	0.0	@	88,800	-
2 bed Flat	0.0	@	107,400	-
3 bed Flat	0.0	@	0	-
	3.5	17.5		519,750
Sub-total GDV Residential	50			11,695,700
AH on-site cost analysis:				
		431 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH) 1,707,300
				34,146 £ per unit (total units)
Grant	18	AH units @	0 per unit	-
Total GDV				11,695,700

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	31,750 £	(31,750)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	127,000 £	(127,000)
CIL (Mrkt only inc. garages)	Max	2,782 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		50 units @	6,600 per unit		(330,000)
S106 analysis:		2.82% % of GDV	6,600 £ per unit (total units)		
Sub-total					(330,000)
AH Commuted Sum		3,960 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		1.25 ha @	110,000 £ per ha (if brownfield)		(137,500)
Site Infrastructure costs	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
	Years 1-15	50 units @	6,600 per unit		(330,000)
Infra. Costs analysis:		2.82% % of GDV	6,600 £ per unit (total units)		
Sub-total					(330,000)
1 bed House		357 sqm @	1,510 psm		(538,504)
2 bed House		1,075 sqm @	1,510 psm		(1,622,495)
3 bed House (EXC. garage)		1,474 sqm @	1,510 psm		(2,226,042)
4 bed House (EXC. garage)		811 sqm @	1,510 psm		(1,224,988)
5 bed House (EXC. garage)		243 sqm @	1,510 psm		(366,930)
1 bed Flat		- sqm @	1,685 psm		-
2 bed Flat		- sqm @	1,685 psm		-
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	17.6	-	0 sqm @	500 psm	-
Garages for 4B House	7.4	-	0 sqm @	500 psm	-
Garages for 5B House	1.8	-	0 sqm @	500 psm	-
Total GIA check:		3,960 £ per garage	£0		
External works		5,978,958 @	15.0%		(896,844)
Ext. Works analysis:			17,937 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		50 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	32.5 units @	287 £ per unit		(14,350)
M4(3) Category 3 Housing	Aff units	17.5 units @	10,000 £ per unit		(32,500)
Part L/FHS - Houses		50 units @	10,000 £ per unit		(52,500)
Part L/FHS - Flats		0 units @	5,000 £ per unit		(250,000)
Part L/FHS analysis:			2,260 £ per unit		(791)
Water Efficiency			4.2% % of BCIS costs		
Carbon / Energy Reduction		50 units @	9 £ per unit		(450)
		50 units @	0 £ per unit		-
Sub-total					(350,591)
Policy Costs analysis: (design costs only)			7,012 £ per unit (total units)		
Contingency (on construction)			5.9% % of BCIS costs		
		7,693,893 @	5.0%		(384,695)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **50**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

Professional Fees	7,693,893 @	8.0%		(615,511)
Disposal Costs -				
OMS Marketing and Promotion	9,512,750 OMS @	1.50%	2,854 £ per unit	(142,691)
Residential Sales Agent Costs	9,512,750 OMS @	1.50%	2,854 £ per unit	(142,691)
Residential Sales Legal Costs	9,512,750 OMS @	0.50%	951 £ per unit	(47,564)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			6,859 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(280,016)
Developers Profit -				
Profit on OMS	9,512,750	20.00%		(1,902,550)
Margin on AH	2,182,950	6.00% on AH values		(130,977)
Profit analysis:	11,695,700	17.39% blended GDV	(2,033,527)	
	9,805,812	20.74% on costs	(2,033,527)	
TOTAL COSTS				(11,839,339)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(143,639)
SDLT	- @	HMRC formula		-
Acquisition Agent fees	- @	1.0%		-
Acquisition Legal fees	- @	0.5%		-
Interest on Land	- @	7.00%		-
Residual Land Value				(143,639)
RLV analysis:	(2,873) £ per plot	(114,911) £ per ha (net)	(46,504) £ per acre (net)	
		(91,929) £ per ha (gross)	(37,203) £ per acre (gross)	
			-1.23% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	40.0 dph (net)			
Site Area (net)	1.25 ha (net)	3.09 acres (net)		
Net to Gross ratio	80%			
Site Area (gross)	1.56 ha (gross)	3.86 acres (gross)		
Density analysis:	3,168 sqm/ha (net)	13,799 sqft/ac (net)		
	32 dph (gross)			
Benchmark Land Value (net)	7,722 £ per plot	308,875 £ per ha (net)	125,000 £ per acre (net)	386,094
BLV analysis:		247,100 £ per ha (gross)	100,000 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)		(423,786) £ per ha (net)	(171,504) £ per acre (net)	(529,733)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
£0		260,357	208,451	156,545	104,640	52,591	342	(51,918)
£1,000		243,796	191,890	139,985	88,079	35,937	(16,312)	(69,150)
£2,000		227,235	175,329	123,424	71,518	19,282	(32,967)	(86,512)
£3,000		210,674	158,769	106,863	54,877	2,628	(49,621)	(104,129)
£4,000		194,113	142,208	90,302	38,223	(14,026)	(66,785)	(121,746)
£5,000		177,553	125,647	73,741	21,568	(30,681)	(84,094)	(140,698)
£6,000		160,992	109,086	57,163	4,914	(47,335)	(101,711)	(159,952)
£7,000		144,431	92,525	40,508	(11,741)	(64,420)	(119,329)	(179,205)
£8,000		127,870	75,964	23,854	(28,395)	(81,676)	(138,055)	(198,561)
£9,000		111,309	59,403	7,199	(45,050)	(99,294)	(157,309)	(217,923)
£10,000		94,748	42,794	(9,455)	(62,055)	(116,911)	(176,563)	(237,286)
£11,000		78,188	26,139	(26,110)	(79,287)	(135,413)	(195,817)	(256,648)
£12,000		61,627	9,485	(42,764)	(96,876)	(154,667)	(215,148)	(276,011)
£13,000		45,066	(7,169)	(59,690)	(114,493)	(173,921)	(234,511)	(295,374)
£14,000		28,425	(23,824)	(76,922)	(132,771)	(193,174)	(253,873)	(314,736)
£15,000		11,771	(40,478)	(94,458)	(152,024)	(212,428)	(273,236)	(334,099)
£16,000		(4,884)	(57,325)	(112,075)	(171,278)	(231,735)	(292,598)	(353,461)
£17,000		(21,538)	(74,557)	(130,128)	(190,532)	(251,098)	(311,961)	(372,824)
£18,000		(38,193)	(92,040)	(149,382)	(209,786)	(270,461)	(331,324)	(392,187)
£19,000		(54,960)	(109,657)	(168,636)	(229,039)	(289,823)	(350,686)	(411,549)
£20,000		(72,192)	(127,486)	(187,890)	(248,323)	(309,186)	(370,049)	(430,912)
£21,000		(89,622)	(146,740)	(207,143)	(267,686)	(328,549)	(389,411)	(450,274)
£22,000		(107,240)	(165,993)	(226,397)	(287,048)	(347,911)	(408,774)	(469,637)
£23,000		(124,857)	(185,247)	(245,651)	(306,411)	(367,274)	(428,137)	(489,011)
£24,000		(144,097)	(204,501)	(264,910)	(325,773)	(386,636)	(447,499)	(508,483)
£25,000		(163,351)	(223,755)	(284,273)	(345,136)	(405,999)	(466,862)	(527,955)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
15%		345,735	283,582	221,357	158,861	96,366	33,871	(28,625)
16%		306,799	246,696	186,519	126,073	65,627	5,181	(55,393)
17%		267,863	209,809	151,682	93,285	34,888	(23,509)	(83,010)
18%		228,927	172,923	116,845	60,497	4,150	(52,219)	(111,191)
19%		189,991	136,036	82,007	27,709	(26,589)	(81,934)	(140,706)
20%		151,055	99,150	47,170	(5,079)	(57,527)	(112,282)	(171,504)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	226,055	174,150	122,170	69,921	17,473	(37,282)	(96,504)
	60,000	216,055	164,150	112,170	59,921	7,473	(47,282)	(106,504)
	70,000	206,055	154,150	102,170	49,921	(2,527)	(57,282)	(116,504)
	80,000	196,055	144,150	92,170	39,921	(12,527)	(67,282)	(126,504)
	90,000	186,055	134,150	82,170	29,921	(22,527)	(77,282)	(136,504)
	100,000	176,055	124,150	72,170	19,921	(32,527)	(87,282)	(146,504)
	110,000	166,055	114,150	62,170	9,921	(42,527)	(97,282)	(156,504)
	120,000	156,055	104,150	52,170	(79)	(52,527)	(107,282)	(166,504)
	130,000	146,055	94,150	42,170	(10,079)	(62,527)	(117,282)	(176,504)
	140,000	136,055	84,150	32,170	(20,079)	(72,527)	(127,282)	(186,504)
	150,000	126,055	74,150	22,170	(30,079)	(82,527)	(137,282)	(196,504)
	160,000	116,055	64,150	12,170	(40,079)	(92,527)	(147,282)	(206,504)
	170,000	106,055	54,150	2,170	(50,079)	(102,527)	(157,282)	(216,504)
	180,000	96,055	44,150	(7,830)	(60,079)	(112,527)	(167,282)	(226,504)
	190,000	86,055	34,150	(17,830)	(70,079)	(122,527)	(177,282)	(236,504)
	200,000	76,055	24,150	(27,830)	(80,079)	(132,527)	(187,282)	(246,504)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	(51,326)	(70,858)	(90,451)	(110,529)	(131,836)	(154,492)	(177,316)
	18	(31,088)	(53,830)	(76,689)	(99,780)	(123,831)	(150,149)	(176,730)
	20	(10,850)	(36,803)	(62,927)	(89,078)	(116,406)	(145,810)	(176,143)
	23	9,389	(19,808)	(49,165)	(78,555)	(108,982)	(141,471)	(175,557)
	25	29,627	(2,814)	(35,403)	(68,059)	(101,558)	(137,132)	(174,971)
	28	49,865	14,180	(21,641)	(57,562)	(94,141)	(132,794)	(174,384)
	30	70,103	31,174	(7,879)	(47,065)	(86,818)	(128,455)	(173,798)
	33	90,341	48,168	5,884	(36,569)	(79,495)	(124,191)	(173,212)
	35	110,579	65,162	19,646	(26,072)	(72,173)	(120,222)	(172,631)
	38	130,817	82,156	33,408	(15,576)	(64,850)	(116,252)	(172,067)
	40	151,055	99,150	47,170	(5,079)	(57,527)	(112,282)	(171,504)
	43	171,293	116,144	60,932	5,418	(50,205)	(108,312)	(170,940)
	45	191,531	133,138	74,694	15,914	(42,882)	(104,342)	(170,377)
	48	211,770	150,132	88,457	26,411	(35,635)	(100,372)	(169,813)
	50	232,008	167,126	102,219	36,907	(28,404)	(96,402)	(169,250)
	53	252,246	184,119	115,981	47,404	(21,173)	(92,432)	(168,686)

250911_Isle of Wight Residential Appraisal_A_F_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
		80%	637,801	580,936	524,071	467,205	410,340	353,432
		85%	516,413	460,860	405,307	349,685	293,820	237,955
		90%	395,024	340,660	286,115	231,569	177,024	122,479
		95%	273,130	219,905	166,679	113,454	60,128	6,552
Build Cost		100%	151,055	99,150	47,170	(5,079)	(57,527)	(112,282)
100%		105%	28,903	(22,019)	(73,681)	(127,615)	(186,484)	(245,602)
(105% = 5% increase)		110%	(95,658)	(150,267)	(207,602)	(265,061)	(322,838)	(380,615)
		115%	(234,857)	(290,691)	(346,925)	(403,160)	(459,394)	(515,628)
		120%	(377,185)	(431,876)	(486,567)	(541,258)	(596,209)	(651,387)
								(706,565)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(171,504)	75%	80%	85%	90%	95%	100%	105%
		80%	(6,568)	(124,756)	(258,036)	(391,505)	(525,617)	(659,841)
		85%	98,020	(16,682)	(136,426)	(269,757)	(403,227)	(537,298)
		90%	202,148	87,992	(26,796)	(148,119)	(281,479)	(414,949)
		95%	306,276	192,119	77,892	(36,910)	(159,811)	(293,201)
Market Values		100%	410,124	296,247	182,090	67,778	(47,024)	(171,504)
100%		105%	513,755	400,241	286,218	172,062	57,664	(57,331)
(105% = 5% increase)		110%	617,386	503,872	390,346	276,189	162,033	47,550
		115%	720,929	607,502	493,988	380,317	266,161	152,004
		120%	824,126	711,133	597,619	484,104	370,288	256,132
								141,975

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(171,504)	5%	10%	15%	20%	25%	30%	35%
£0		£0	151,055	99,150	47,170	(5,079)	(57,527)	(112,282)
£2,000		£2,000	117,850	65,944	13,777	(38,472)	(92,336)	(149,705)
£4,000		£4,000	84,645	32,633	(19,616)	(72,568)	(127,906)	(188,310)
£6,000		£6,000	51,439	(760)	(53,058)	(107,713)	(166,511)	(227,059)
£8,000		£8,000	18,096	(34,153)	(87,767)	(144,712)	(205,115)	(265,882)
£10,000		£10,000	(15,297)	(68,100)	(123,090)	(183,316)	(243,842)	(304,705)
£12,000		£12,000	(48,690)	(103,144)	(161,518)	(221,921)	(282,665)	(343,528)
£14,000		£14,000	(83,198)	(139,719)	(200,122)	(260,625)	(321,488)	(382,351)
£16,000		£16,000	(118,522)	(178,323)	(238,727)	(299,448)	(360,311)	(421,174)
								(482,037)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_A_F_v1 - Summary Table

Appraisal Ref:	A	B	C	D	E	F
No Units:	10	10	20	20	50	50
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield	Greenfield	Brownfield
Notes/Comments:	Median BCIS : 35% AH - Adjacent to Rural Service Centre	Median BCIS : 35% AH	Median BCIS : 35% AH	Median BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH
Total GDV (£)	2,677,320	2,677,320	5,354,640	5,354,640	11,695,700	11,695,700
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.41%	17.41%	17.41%	17.41%	17.39%	17.39%
Developers Profit (% on costs)	20.88%	20.40%	20.93%	20.46%	21.38%	20.74%
Developers Profit Total (£)	466,217	466,217	932,434	932,434	2,033,527	2,033,527
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	(22,324)	(120,423)	(16,733)	(109,237)	33,615	(46,504)
RLV (£/ha (net))	(55,163)	(297,565)	(41,346)	(269,926)	83,064	(114,911)
RLV (% of GDV)	-0.82%	-2.78%	-0.62%	-2.52%	1.18%	-1.23%
RLV Total (£)	(22,065)	(74,391)	(33,077)	(134,963)	138,439	(143,639)
BLV (£/acre (net))	110,000	100,000	125,000	125,000	125,000	125,000
BLV (£/ha (net))	271,810	247,100	308,875	308,875	308,875	308,875
BLV Total (£)	108,724	61,775	247,100	154,438	514,792	386,094
Surplus/Deficit (£/acre) [RLV-BLV]	(132,324)	(220,423)	(141,733)	(234,237)	(91,385)	(171,504)
Surplus/Deficit (£/ha)	(326,973)	(544,665)	(350,221)	(578,801)	(225,811)	(423,786)
Surplus/Deficit Total (£)	(130,789)	(136,166)	(280,177)	(289,400)	(376,352)	(529,733)
Viability	Not Viable	Not Viable	Not Viable	Not Viable	Marginal	Not Viable

250911_Isle of Wight Residential Appraisal_G_L_v1 - Version Notes

Date	Version	Comments	Updated by who
250911	v1	For Issue	AS

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **G** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **100**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			100 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% 80.0% % Rented 7.0% % of total (>10% First Homes PPG 023)						
			Open Market Sale (OMS)						
			Affordable Rent:		80.0%				
			Social Rent:		0.0%				
			First Homes:		0.0%				
			Other Intermediate (LCHO/Sub-Market etc.):		20.0%				
			100%		100.0%				
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	3.3	40.0%	11.2	20.0%	1.4	16%	15.9	
2 bed House	30.0%	19.5	30.0%	8.4	40.0%	2.8	31%	30.7	
3 bed House	40.0%	26.0	25.0%	7.0	30.0%	2.1	35%	35.1	
4 bed House	20.0%	13.0	5.0%	1.4	5.0%	0.4	15%	14.8	
5 bed House	5.0%	3.3	0.0%	0.0	5.0%	0.4	4%	3.6	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	65.0	100%	28.0	100%	7.0	100%	100.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0		484		
2 bed House	70.0	753			70.0		753		
3 bed House	84.0	904		0.0	84.0		904		
4 bed House	110.0	1,184		0.0	110.0		1,184		
5 bed House	135.0	1,453		0.0	135.0		1,453		
1 bed Flat	45.0	484	85.0%		52.9		570		
2 bed Flat	60.0	646	85.0%		70.6		760		
3 bed Flat	0.0	0	85.0%		0.0		0		
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0		484		
2 bed House	70.0	753			70.0		753		
3 bed House	84.0	904		0.0	84.0		904		
4 bed House	110.0	1,184		0.0	110.0		1,184		
5 bed House	135.0	1,453		0.0	135.0		1,453		
1 bed Flat	45.0	484	85.0%		52.9		570		
2 bed Flat	60.0	646	85.0%		70.6		760		
3 bed Flat	0.0	0	85.0%		0.0		0		
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)		(sqft)		
1 bed House	146	1,574	567	6,103	713		7,677		
2 bed House	1,365	14,693	784	8,439	2,149		23,132		
3 bed House	2,184	23,508	764	8,228	2,948		31,736		
4 bed House	1,430	15,392	193	2,072	1,623		17,464		
5 bed House	439	4,723	47	509	486		5,231		
1 bed Flat	0	0	0	0	0		0		
2 bed Flat	0	0	0	0	0		0		
3 bed Flat	0	0	0	0	0		0		
	5,564	59,890	2,355	25,351	7,919		85,241		
AH % by floor area: 29.74% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	148,000	3,289	306	3,289	306	2,345,800			
2 bed House	221,000	3,157	293	3,157	293	6,784,700			
3 bed House	280,000	3,333	310	3,333	310	9,828,000			
4 bed House	410,000	3,727	346	3,727	346	6,047,500			
5 bed House	500,000	3,704	344	3,704	344	1,800,000			
1 bed Flat	148,000	3,289	306	2,796	260	0			
2 bed Flat	179,000	2,983	277	2,536	236	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						26,806,000			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	3.3	@	148,000	481,000
2 bed House	19.5	@	221,000	4,309,500
3 bed House	26.0	@	280,000	7,280,000
4 bed House	13.0	@	410,000	5,330,000
5 bed House	3.3	@	500,000	1,625,000
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	65.0			19,025,500
Affordable Rent GDV -				
1 bed House	11.2	@	81,400	911,680
2 bed House	8.4	@	121,550	1,021,020
3 bed House	7.0	@	154,000	1,078,000
4 bed House	1.4	@	225,500	315,700
5 bed House	0.0	@	275,000	-
1 bed Flat	0.0	@	81,400	-
2 bed Flat	0.0	@	98,450	-
3 bed Flat	0.0	@	0	-
	28.0			3,326,400
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.4	@	88,800	124,320
2 bed House	2.8	@	132,600	371,280
3 bed House	2.1	@	168,000	352,800
4 bed House	0.4	@	246,000	86,100
5 bed House	0.4	@	300,000	105,000
1 bed Flat	0.0	@	88,800	-
2 bed Flat	0.0	@	107,400	-
3 bed Flat	0.0	@	0	-
	7.0	35.0		1,039,500
Sub-total GDV Residential	100			23,391,400
AH on-site cost analysis:				
		431 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH) 3,414,600
				34,146 £ per unit (total units)
Grant	35	AH units @	0 per unit	-
Total GDV				23,391,400

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	40,835 £	(40,835)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	122,505 £	(122,505)
CIL (Mkrt only inc. garages)	Max	5,564 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		100 units @		6,600 per unit		(660,000)
S106 analysis:		231,000 £ per ha	2.82% % of GDV	6,600 £ per unit (total units)		
AH Commuted Sum		7,919 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		2.86 ha @		0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15	100 units @		6,600 per unit		(660,000)
Sub-total					(660,000)	
Infra. Costs analysis:		231,000 £ per ha	2.82% % of GDV	6,600 £ per unit (total units)		
1 bed House		713 sqm @		1,510 psm		(1,077,008)
2 bed House		2,149 sqm @		1,510 psm		(3,244,990)
3 bed House (EXC. garage)		2,948 sqm @		1,510 psm		(4,452,084)
4 bed House (EXC. garage)		1,623 sqm @		1,510 psm		(2,449,975)
5 bed House (EXC. garage)		486 sqm @		1,510 psm		(733,860)
1 bed Flat		- sqm @		1,685 psm		-
2 bed Flat		- sqm @		1,685 psm		-
3 bed Flat		- sqm @		1,685 psm		-
Garages for 3B House	35.1	-	0 sqm @	500 psm		-
Garages for 4B House	14.8	-	0 sqm @	500 psm		-
Garages for 5B House	3.6	-	0 sqm @	500 psm		-
Total GIA check:		7,919 £ per garage		£0		
External works		11,957,917 @		15.0%		(1,793,687)
Ext. Works analysis:				17,937 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		100 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	65.0 units @	10%	10,000 £ per unit		(65,000)
M4(3) Category 3 Housing	Aff units	35.0 units @	30%	10,000 £ per unit		(105,000)
Part L/FHS - Houses		100 units @		5,000 £ per unit		(500,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				4.2% % of BCIS costs		
Water Efficiency		100 units @		9 £ per unit		(900)
Carbon / Energy Reduction		100 units @		0 £ per unit		-
Sub-total					(772,791)	
Policy Costs analysis: (design costs only)				7,728 £ per unit (total units)		
				6.5% % of BCIS costs		
Contingency (on construction)		15,184,395 @		3.0%		(455,532)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **100**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

Professional Fees	15,184,395 @	8.0%		(1,214,752)
Disposal Costs -				
OMS Marketing and Promotion	19,025,500 OMS @	1.50%	2,854 £ per unit	(285,383)
Residential Sales Agent Costs	19,025,500 OMS @	1.50%	2,854 £ per unit	(285,383)
Residential Sales Legal Costs	19,025,500 OMS @	0.50%	951 £ per unit	(95,128)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			6,759 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(356,853)
Developers Profit -				
Profit on OMS	19,025,500	20.00%		(3,805,100)
Margin on AH	4,365,900	6.00% on AH values		(261,954)
Profit analysis:	23,391,400	17.39% blended GDV	(4,067,054)	
	18,710,764	21.74% on costs	(4,067,054)	
TOTAL COSTS				(22,777,818)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				613,582
SDLT	613,582 @	HMRC formula		(20,179)
Acquisition Agent fees	613,582 @	1.0%		(6,136)
Acquisition Legal fees	613,582 @	0.5%		(3,068)
Interest on Land	613,582 @	7.00%		(42,951)
Residual Land Value				541,248
RLV analysis:	5,412 £ per plot	189,437 £ per ha (net)	76,664 £ per acre (net)	
		123,134 £ per ha (gross)	49,832 £ per acre (gross)	
			2.31% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	35.0 dph (net)			
Site Area (net)	2.86 ha (net)	7.06 acres (net)		
Net to Gross ratio	65%			
Site Area (gross)	4.40 ha (gross)	10.86 acres (gross)		
Density analysis:	2,772 sqm/ha (net)	12,074 sqft/ac (net)		
	23 dph (gross)			
Benchmark Land Value (net)	10,237 £ per plot	358,295 £ per ha (net)	145,000 £ per acre (net)	1,023,700
BLV analysis:		232,892 £ per ha (gross)	94,250 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)		(168,858) £ per ha (net)	(68,336) £ per acre (net)	(482,452)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
£0		307,517	261,492	215,327	168,968	122,360	75,433	28,048
£1,000		293,429	247,383	201,158	154,734	108,050	60,985	13,470
Site Specific S106 Contributions		279,321	233,238	186,973	140,471	93,678	46,538	(1,138)
£6,600		265,212	219,069	172,740	126,170	79,305	32,019	(15,746)
£4,000		251,103	204,899	158,506	111,868	64,894	17,493	(30,355)
£5,000		236,980	190,730	144,272	97,533	50,447	2,902	(44,963)
£6,000		222,810	176,511	129,979	83,160	35,990	(11,706)	(59,571)
£7,000		208,641	162,277	115,678	68,788	21,464	(26,314)	(74,179)
£8,000		194,471	148,044	101,376	54,356	6,937	(40,922)	(88,788)
£9,000		180,283	133,789	87,015	39,908	(7,665)	(55,530)	(103,479)
£10,000		166,049	119,487	72,643	25,434	(22,273)	(70,139)	(118,353)
£11,000		151,815	105,186	58,265	10,908	(36,882)	(84,747)	(133,732)
£12,000		137,582	90,871	43,817	(3,625)	(51,490)	(99,355)	(149,669)
£13,000		123,297	76,498	29,370	(18,233)	(66,098)	(114,077)	(166,653)
£14,000		108,995	62,125	14,879	(32,841)	(80,706)	(129,361)	(183,636)
£15,000		94,694	47,726	353	(47,449)	(95,315)	(144,901)	(200,620)
£16,000		80,353	33,279	(14,192)	(62,057)	(109,923)	(161,875)	(217,644)
£17,000		65,981	18,831	(28,800)	(76,666)	(125,002)	(178,859)	(234,724)
£18,000		51,608	4,324	(43,409)	(91,274)	(140,529)	(195,842)	(251,804)
£19,000		37,188	(10,202)	(58,017)	(105,882)	(157,097)	(212,826)	(268,883)
£20,000		22,740	(24,760)	(72,625)	(120,754)	(174,081)	(229,814)	(285,963)
£21,000		8,292	(39,368)	(87,233)	(136,158)	(191,065)	(246,894)	(303,043)
£22,000		(6,232)	(53,976)	(101,842)	(152,320)	(208,048)	(263,973)	(320,122)
£23,000		(20,758)	(68,585)	(116,574)	(169,303)	(225,032)	(281,053)	(337,202)
£24,000		(35,327)	(83,193)	(131,825)	(186,287)	(242,015)	(298,133)	(354,367)
£25,000		(49,936)	(97,801)	(147,542)	(203,271)	(259,064)	(315,212)	(371,543)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
15%		384,653	329,350	273,812	217,984	161,756	105,046	48,215
16%		350,584	297,074	243,329	189,295	134,860	79,943	24,905
17%		316,515	264,798	212,846	160,605	107,963	54,839	1,595
18%		282,446	232,522	182,364	131,916	81,067	29,736	(21,715)
19%		248,377	200,247	151,881	103,226	54,171	4,633	(45,026)
20%		214,309	167,971	121,398	74,537	27,274	(20,471)	(68,336)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
	50,000	309,309	262,971	216,398	169,537	122,274	74,529	26,664
	60,000	299,309	252,971	206,398	159,537	112,274	64,529	16,664
	70,000	289,309	242,971	196,398	149,537	102,274	54,529	6,664
BLV (£ per acre)	80,000	279,309	232,971	186,398	139,537	92,274	44,529	(3,336)
145,000	90,000	269,309	222,971	176,398	129,537	82,274	34,529	(13,336)
	100,000	259,309	212,971	166,398	119,537	72,274	24,529	(23,336)
	110,000	249,309	202,971	156,398	109,537	62,274	14,529	(33,336)
	120,000	239,309	192,971	146,398	99,537	52,274	4,529	(43,336)
	130,000	229,309	182,971	136,398	89,537	42,274	(5,471)	(53,336)
	140,000	219,309	172,971	126,398	79,537	32,274	(15,471)	(63,336)
	150,000	209,309	162,971	116,398	69,537	22,274	(25,471)	(73,336)
	160,000	199,309	152,971	106,398	59,537	12,274	(35,471)	(83,336)
	170,000	189,309	142,971	96,398	49,537	2,274	(45,471)	(93,336)
	180,000	179,309	132,971	86,398	39,537	(7,726)	(55,471)	(103,336)
	190,000	169,309	122,971	76,398	29,537	(17,726)	(65,471)	(113,336)
	200,000	159,309	112,971	66,398	19,537	(27,726)	(75,471)	(123,336)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
	15	8,989	(10,870)	(30,829)	(50,913)	(71,168)	(91,630)	(112,144)
	18	34,654	11,485	(11,801)	(35,232)	(58,863)	(82,735)	(106,668)
Density (dph)	20	60,319	33,841	7,228	(19,551)	(46,558)	(73,840)	(101,192)
35.00	23	85,984	56,196	26,256	(3,869)	(34,252)	(64,945)	(95,716)
	25	111,649	78,551	45,285	11,812	(21,947)	(56,050)	(90,240)
	28	137,314	100,906	64,313	27,493	(9,642)	(47,156)	(84,764)
	30	162,979	123,261	83,341	43,174	2,663	(38,261)	(79,288)
	33	188,644	145,616	102,370	58,855	14,969	(29,366)	(73,812)
	35	214,309	167,971	121,398	74,537	27,274	(20,471)	(68,336)
	38	239,974	190,326	140,427	90,218	39,579	(11,576)	(62,860)
	40	265,638	212,681	159,455	105,899	51,885	(2,681)	(57,384)
	43	291,303	235,036	178,484	121,580	64,190	6,214	(51,908)
	45	316,968	257,391	197,512	137,261	76,495	15,109	(46,432)
	48	342,633	279,746	216,541	152,943	88,800	24,004	(40,956)
	50	368,298	302,101	235,569	168,624	101,106	32,899	(35,480)
	53	393,963	324,456	254,598	184,305	113,411	41,794	(30,004)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
Build Cost	80%	627,014	577,173	527,331	477,381	427,393	377,247	326,994
	85%	524,563	475,686	426,778	377,739	328,587	279,296	229,811
	90%	421,695	373,771	325,702	277,516	229,160	180,577	131,712
	95%	318,338	271,239	223,992	176,543	128,835	80,814	32,314
	100%	214,309	167,971	121,398	74,537	27,274	(20,471)	(68,336)
	105%	109,403	63,678	17,603	(28,937)	(75,638)	(122,793)	(175,037)
	110%	3,302	(42,061)	(87,598)	(134,068)	(186,074)	(239,153)	(292,579)
(105% = 5% increase)	115%	(104,214)	(150,865)	(202,525)	(254,193)	(306,190)	(358,256)	(410,723)
	120%	(224,390)	(274,704)	(325,246)	(375,950)	(426,888)	(478,009)	(529,477)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(68,336)	75%	80%	85%	90%	95%	100%	105%
Market Values	80%	58,042	(42,251)	(144,760)	(262,252)	(380,486)	(499,448)	(653,667)
	85%	150,437	51,637	(48,772)	(152,312)	(269,834)	(388,045)	(506,955)
	90%	241,967	144,237	45,232	(55,294)	(159,887)	(277,415)	(395,605)
	95%	332,955	235,922	137,985	38,779	(61,815)	(167,462)	(284,997)
	100%	423,533	326,994	229,811	131,712	32,314	(68,336)	(175,037)
	105%	513,849	417,688	321,033	223,687	125,433	25,847	(74,857)
	110%	603,947	508,083	411,814	315,033	217,550	119,093	19,326
(105% = 5% increase)	115%	693,883	598,259	502,300	405,940	308,988	211,350	112,752
	120%	783,753	688,294	592,571	496,517	399,994	302,943	205,149

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,336)	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS	£0	214,309	167,971	121,398	74,537	27,274	(20,471)	(68,336)
	£2,000	185,899	139,432	92,691	45,612	(1,898)	(49,763)	(97,679)
	£4,000	157,366	110,761	63,871	16,568	(31,190)	(79,056)	(127,678)
	£6,000	128,799	82,025	34,924	(12,618)	(60,483)	(108,390)	(160,124)
	£8,000	100,123	53,206	5,861	(41,910)	(89,775)	(139,008)	(194,180)
	£10,000	71,359	24,235	(23,337)	(71,202)	(119,317)	(172,507)	(228,336)
	£12,000	42,517	(4,845)	(52,630)	(100,495)	(150,834)	(206,562)	(262,585)
£ per dwelling	£14,000	13,547	(34,057)	(81,922)	(130,507)	(184,890)	(240,684)	(296,833)
	£16,000	(15,552)	(63,349)	(111,214)	(163,217)	(218,945)	(274,932)	(331,081)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **H** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **100**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				100 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		7.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	3.3	40.0%	11.2	20.0%	1.4	16%	15.9	
2 bed House	30.0%	19.5	30.0%	8.4	40.0%	2.8	31%	30.7	
3 bed House	40.0%	26.0	25.0%	7.0	30.0%	2.1	35%	35.1	
4 bed House	20.0%	13.0	5.0%	1.4	5.0%	0.4	15%	14.8	
5 bed House	5.0%	3.3	0.0%	0.0	5.0%	0.4	4%	3.6	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	65.0		28.0	100%	7.0	100%	100.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)		Total GIA (all units) (sqm)	(sqft)	
1 bed House	146	1,574		567	6,103		713	7,677	
2 bed House	1,365	14,693		784	8,439		2,149	23,132	
3 bed House	2,184	23,508		764	8,228		2,948	31,736	
4 bed House	1,430	15,392		193	2,072		1,623	17,464	
5 bed House	439	4,723		47	509		486	5,231	
1 bed Flat	0	0		0	0		0	0	
2 bed Flat	0	0		0	0		0	0	
3 bed Flat	0	0		0	0		0	0	
	5,564	59,890		2,355	25,351		7,919	85,241	
AH % by floor area:		29.74% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	148,000	3,289	306	3,289	306		2,345,800		
2 bed House	221,000	3,157	293	3,157	293		6,784,700		
3 bed House	280,000	3,333	310	3,333	310		9,828,000		
4 bed House	410,000	3,727	346	3,727	346		6,047,500		
5 bed House	500,000	3,704	344	3,704	344		1,800,000		
1 bed Flat	148,000	3,289	306	2,796	260		0		
2 bed Flat	179,000	2,983	277	2,536	236		0		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							26,806,000		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	3.3	@	148,000	481,000
2 bed House	19.5	@	221,000	4,309,500
3 bed House	26.0	@	280,000	7,280,000
4 bed House	13.0	@	410,000	5,330,000
5 bed House	3.3	@	500,000	1,625,000
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	65.0			19,025,500
Affordable Rent GDV -				
1 bed House	11.2	@	81,400	911,680
2 bed House	8.4	@	121,550	1,021,020
3 bed House	7.0	@	154,000	1,078,000
4 bed House	1.4	@	225,500	315,700
5 bed House	0.0	@	275,000	-
1 bed Flat	0.0	@	81,400	-
2 bed Flat	0.0	@	98,450	-
3 bed Flat	0.0	@	0	-
	28.0			3,326,400
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.4	@	88,800	124,320
2 bed House	2.8	@	132,600	371,280
3 bed House	2.1	@	168,000	352,800
4 bed House	0.4	@	246,000	86,100
5 bed House	0.4	@	300,000	105,000
1 bed Flat	0.0	@	88,800	-
2 bed Flat	0.0	@	107,400	-
3 bed Flat	0.0	@	0	-
	7.0	35.0		1,039,500
Sub-total GDV Residential	100			23,391,400
AH on-site cost analysis:				
	431 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH)	3,414,600
			34,146 £ per unit (total units)	
Grant	35	AH units @	0 per unit	-
Total GDV				23,391,400

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	40,835 £	(40,835)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	122,505 £	(122,505)
CIL (Mkrt only inc. garages)	Max	5,564 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		100 units @	6,600 per unit		(660,000)
S106 analysis:		2.82% % of GDV	6,600 £ per unit (total units)		
Sub-total				(660,000)	
AH Commuted Sum	297,000 £ per ha	7,919 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		2.22 ha @	110,000 £ per ha (if brownfield)		(244,444)
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	100 units @	6,600 per unit		(660,000)
Infra. Costs analysis:		2.82% % of GDV	6,600 £ per unit (total units)		
Sub-total				(660,000)	
1 bed House		713 sqm @	1,510 psm		(1,077,008)
2 bed House		2,149 sqm @	1,510 psm		(3,244,990)
3 bed House (EXC. garage)		2,948 sqm @	1,510 psm		(4,452,084)
4 bed House (EXC. garage)		1,623 sqm @	1,510 psm		(2,449,975)
5 bed House (EXC. garage)		486 sqm @	1,510 psm		(733,860)
1 bed Flat		- sqm @	1,685 psm		-
2 bed Flat		- sqm @	1,685 psm		-
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	35.1	0 sqm @	500 psm		-
Garages for 4B House	14.8	0 sqm @	500 psm		-
Garages for 5B House	3.6	0 sqm @	500 psm		-
Total GIA check:		7,919 £ per garage	£0		
External works		11,957,917 @	15.0%		(1,793,687)
Ext. Works analysis:			17,937 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		100 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	65.0 units @	287 £ per unit		(28,700)
M4(3) Category 3 Housing	Aff units	35.0 units @	10,000 £ per unit		(65,000)
Part L/FHS - Houses		100 units @	10,000 £ per unit		(105,000)
Part L/FHS - Flats		0 units @	5,000 £ per unit		(500,000)
Part L/FHS analysis:			2,260 £ per unit		(791)
			4.2% % of BCIS costs		
Water Efficiency		100 units @	9 £ per unit		(900)
Carbon / Energy Reduction		100 units @	0 £ per unit		-
Sub-total				(700,391)	
Policy Costs analysis: (design costs only)			7,004 £ per unit (total units)		
			5.9% % of BCIS costs		
Contingency (on construction)		15,356,439 @	5.0%		(767,822)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

Professional Fees	15,356,439	@	8.0%		(1,228,515)
Disposal Costs -					
OMS Marketing and Promotion	19,025,500	OMS @	1.50%	2,854 £ per unit	(285,383)
Residential Sales Agent Costs	19,025,500	OMS @	1.50%	2,854 £ per unit	(285,383)
Residential Sales Legal Costs	19,025,500	OMS @	0.50%	951 £ per unit	(95,128)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,759 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(428,208)
Developers Profit -					
Profit on OMS	19,025,500		20.00%		(3,805,100)
Margin on AH	4,365,900		6.00%	on AH values	(261,954)
Profit analysis:	23,391,400			17.39% blended GDV	(4,067,054)
	19,280,217			21.09% on costs	(4,067,054)
TOTAL COSTS					(23,347,271)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					44,129
SDLT	44,129	@	HMRC formula		-
Acquisition Agent fees	44,129	@	1.0%		(441)
Acquisition Legal fees	44,129	@	0.5%		(221)
Interest on Land	44,129	@	7.00%		(3,089)
Residual Land Value					40,378
RLV analysis:	404 £ per plot		18,170 £ per ha (net)	7,353 £ per acre (net)	
			13,628 £ per ha (gross)	5,515 £ per acre (gross)	
				0.17% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	45.0	dph (net)			
Site Area (net)	2.22	ha (net)	5.49	acres (net)	
Net to Gross ratio	75%				
Site Area (gross)	2.96	ha (gross)	7.32	acres (gross)	
Density analysis:	3,564	sqm/ha (net)	15,523	sqft/ac (net)	
	34	dph (gross)			
Benchmark Land Value (net)	7,413 £ per plot	333,585 £ per ha (net)	135,000	£ per acre (net)	741,300
BLV analysis:		250,189 £ per ha (gross)	101,250	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		(315,415) £ per ha (net)	(127,647) £ per acre (net)		(700,922)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Brownfield

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
£0		359,931	300,943	241,676	182,061	122,028	61,458	422
£1,000		341,384	282,312	222,957	163,248	103,117	42,336	(18,700)
Site Specific S106 Contributions		322,837	263,681	204,237	144,435	84,110	23,215	(37,821)
£6,600		304,290	245,050	185,517	125,547	65,096	4,094	(56,942)
		285,677	226,363	166,707	106,636	46,008	(15,028)	(76,140)
		267,046	207,644	147,894	87,700	26,887	(34,149)	(95,427)
		248,415	188,924	129,067	68,687	7,766	(53,270)	(115,442)
		229,770	170,165	110,156	49,673	(11,355)	(72,391)	(135,856)
		211,051	151,352	91,245	30,559	(30,477)	(91,587)	(158,086)
		192,331	132,539	72,277	11,438	(49,598)	(111,442)	(180,317)
		173,611	113,676	53,264	(7,683)	(68,719)	(131,783)	(202,547)
		154,810	94,765	34,231	(26,805)	(87,841)	(153,714)	(224,810)
		135,997	75,853	15,110	(45,926)	(107,497)	(175,945)	(247,167)
		117,184	56,855	(4,011)	(65,047)	(127,782)	(198,175)	(269,523)
		98,284	37,841	(23,133)	(84,169)	(149,342)	(220,406)	(291,879)
		79,373	18,782	(42,254)	(103,622)	(171,573)	(242,636)	(314,235)
		60,445	(339)	(61,375)	(123,782)	(193,803)	(264,991)	(336,592)
		41,432	(19,461)	(80,497)	(144,970)	(216,034)	(287,347)	(358,948)
		22,418	(38,582)	(99,823)	(167,201)	(238,264)	(309,703)	(381,304)
		3,333	(57,703)	(119,822)	(189,431)	(260,495)	(332,059)	(403,768)
		(15,789)	(76,824)	(140,598)	(211,662)	(282,815)	(354,416)	(426,251)
		(34,910)	(96,023)	(162,829)	(233,892)	(305,171)	(376,772)	(448,733)
		(54,031)	(115,938)	(185,059)	(256,123)	(327,527)	(399,128)	(471,216)
		(73,152)	(136,272)	(207,290)	(278,353)	(349,884)	(421,525)	(493,699)
		(92,274)	(158,457)	(229,520)	(300,639)	(372,240)	(444,008)	(516,181)
		(112,053)	(180,687)	(251,751)	(322,995)	(394,596)	(466,490)	(538,664)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
15%		456,251	385,177	313,680	241,711	169,199	96,636	23,716
16%		412,448	343,680	274,488	204,825	134,618	64,360	(6,255)
Profit		368,645	302,182	235,296	167,938	100,037	32,084	(36,225)
20%		324,842	260,685	196,104	131,052	65,455	(191)	(66,196)
		281,039	219,188	156,912	94,165	30,874	(32,467)	(96,251)
		237,237	177,690	117,720	57,278	(3,707)	(64,743)	(127,647)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 135,000	50,000	322,237	262,690	202,720	142,278	81,293	20,257	(42,647)
	60,000	312,237	252,690	192,720	132,278	71,293	10,257	(52,647)
	70,000	302,237	242,690	182,720	122,278	61,293	257	(62,647)
	80,000	292,237	232,690	172,720	112,278	51,293	(9,743)	(72,647)
	90,000	282,237	222,690	162,720	102,278	41,293	(19,743)	(82,647)
	100,000	272,237	212,690	152,720	92,278	31,293	(29,743)	(92,647)
	110,000	262,237	202,690	142,720	82,278	21,293	(39,743)	(102,647)
	120,000	252,237	192,690	132,720	72,278	11,293	(49,743)	(112,647)
	130,000	242,237	182,690	122,720	62,278	1,293	(59,743)	(122,647)
	140,000	232,237	172,690	112,720	52,278	(8,707)	(69,743)	(132,647)
	150,000	222,237	162,690	102,720	42,278	(18,707)	(79,743)	(142,647)
	160,000	212,237	152,690	92,720	32,278	(28,707)	(89,743)	(152,647)
	170,000	202,237	142,690	82,720	22,278	(38,707)	(99,743)	(162,647)
	180,000	192,237	132,690	72,720	12,278	(48,707)	(109,743)	(172,647)
	190,000	182,237	122,690	62,720	2,278	(58,707)	(119,743)	(182,647)
	200,000	172,237	112,690	52,720	(7,722)	(68,707)	(129,743)	(192,647)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
Density (dph) 45.00	15	(43,982)	(64,040)	(84,287)	(104,632)	(125,128)	(147,861)	(171,598)
	18	(20,518)	(43,872)	(67,402)	(91,135)	(114,871)	(140,198)	(167,835)
	20	2,946	(23,704)	(50,555)	(77,638)	(104,765)	(132,744)	(164,118)
	23	26,384	(3,538)	(33,709)	(64,142)	(94,660)	(125,732)	(160,403)
	25	49,814	16,598	(16,862)	(50,645)	(84,554)	(118,772)	(156,687)
	28	73,245	36,735	(22)	(37,148)	(74,448)	(111,883)	(152,972)
	30	96,675	56,871	16,798	(23,651)	(64,342)	(105,077)	(149,256)
	33	120,106	77,008	33,619	(10,155)	(54,236)	(98,342)	(145,541)
	35	143,536	97,144	50,439	3,342	(44,130)	(91,607)	(141,825)
	38	166,967	117,281	67,259	16,839	(34,025)	(84,888)	(138,110)
	40	190,397	137,417	84,080	30,322	(23,919)	(78,173)	(134,446)
	43	213,822	157,554	100,900	43,800	(13,813)	(71,458)	(131,046)
	45	237,237	177,690	117,720	57,278	(3,707)	(64,743)	(127,647)
	48	260,651	197,814	134,541	70,756	6,399	(58,028)	(124,247)
	50	284,065	217,935	151,361	84,235	16,505	(51,313)	(120,847)
	53	307,479	238,056	168,181	97,713	26,611	(44,598)	(117,448)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

100

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
Build Cost	100%	779,739	715,909	652,018	587,979	523,847	459,508	394,949
		85%	645,263	582,620	519,905	457,031	393,925	330,587
		90%	510,101	448,672	387,015	325,134	262,981	200,462
		95%	374,219	313,770	253,078	192,071	130,589	68,591
		100%	237,237	177,690	117,720	57,278	(3,707)	(64,743)
		105%	98,824	39,898	(19,540)	(79,053)	(141,623)	(210,915)
		110%	(41,469)	(99,657)	(163,368)	(230,889)	(298,587)	(366,625)
(105% = 5% increase)		115%	(192,200)	(257,949)	(323,748)	(390,004)	(456,330)	(523,128)
		120%	(356,073)	(420,510)	(484,984)	(549,888)	(614,894)	(680,435)
								(746,181)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(127,647)	75%	80%	85%	90%	95%	100%	105%
Market Values	100%	48,900	(83,054)	(230,650)	(385,097)	(540,509)	(696,896)	(1,516,219)
		85%	168,908	38,183	(93,829)	(243,126)	(397,559)	(552,920)
		90%	287,435	158,461	27,466	(104,973)	(255,601)	(410,021)
		95%	404,974	277,190	147,970	16,749	(116,253)	(268,077)
		100%	521,927	394,949	266,945	137,429	6,031	(127,647)
		105%	638,400	512,019	384,877	256,620	126,887	(4,686)
		110%	754,542	628,629	502,111	374,741	246,272	116,256
(105% = 5% increase)		115%	870,407	744,880	618,842	492,157	364,604	235,907
		120%	986,112	860,875	735,219	609,054	482,133	354,386
								225,460

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(127,647)	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS	£0.00	£0	237,237	177,690	117,720	57,278	(3,707)	(64,743)
		£2,000	199,725	139,969	79,786	18,989	(42,047)	(103,553)
		£4,000	162,145	102,136	41,661	(19,352)	(80,388)	(145,049)
		£6,000	124,424	64,169	3,344	(57,692)	(119,958)	(189,624)
		£8,000	86,552	26,040	(34,996)	(96,113)	(163,135)	(234,199)
		£10,000	48,551	(12,301)	(73,337)	(136,646)	(207,710)	(278,976)
		£12,000	10,395	(50,641)	(112,351)	(181,221)	(252,284)	(323,802)
£ per dwelling		£14,000	(27,945)	(88,981)	(154,732)	(225,795)	(297,028)	(368,629)
		£16,000	(66,286)	(128,900)	(199,306)	(270,370)	(341,855)	(413,456)
								(485,625)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **I** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: **Lower** No Units: **200**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				200 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				80.0% 80.0% % Rented 7.0% % of total (>10% First Homes PPG 023)					
				100% 100.0%					
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	20.0%	11.2	10.0%	1.4	6%	12.6	
2 bed House	30.0%	39.0	20.0%	11.2	20.0%	2.8	27%	53.0	
3 bed House	40.0%	52.0	25.0%	14.0	30.0%	4.2	35%	70.2	
4 bed House	20.0%	26.0	5.0%	2.8	5.0%	0.7	15%	29.5	
5 bed House	5.0%	6.5	0.0%	0.0	5.0%	0.7	4%	7.2	
1 bed Flat	5.0%	6.5	20.0%	11.2	10.0%	1.4	10%	19.1	
2 bed Flat	0.0%	0.0	10.0%	5.6	20.0%	2.8	4%	8.4	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	130.0	100%	56.0	100%	14.0	100%	200.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0		484		
2 bed House	70.0	753			70.0		753		
3 bed House	84.0	904		0.0	84.0		904		
4 bed House	110.0	1,184		0.0	110.0		1,184		
5 bed House	135.0	1,453		0.0	135.0		1,453		
1 bed Flat	45.0	484	85.0%		52.9		570		
2 bed Flat	60.0	646	85.0%		70.6		760		
3 bed Flat	0.0	0	85.0%		0.0		0		
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0		484		
2 bed House	70.0	753			70.0		753		
3 bed House	84.0	904		0.0	84.0		904		
4 bed House	110.0	1,184		0.0	110.0		1,184		
5 bed House	135.0	1,453		0.0	135.0		1,453		
1 bed Flat	45.0	484	85.0%		52.9		570		
2 bed Flat	60.0	646	85.0%		70.6		760		
3 bed Flat	0.0	0	85.0%		0.0		0		
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)		(sqft)		
1 bed House	0	0	567	6,103	567		6,103		
2 bed House	2,730	29,385	980	10,549	3,710		39,934		
3 bed House	4,368	47,017	1,529	16,456	5,897		63,473		
4 bed House	2,860	30,785	385	4,144	3,245		34,929		
5 bed House	878	9,445	95	1,017	972		10,463		
1 bed Flat	344	3,704	667	7,180	1,011		10,884		
2 bed Flat	0	0	593	6,382	593		6,382		
3 bed Flat	0	0	0	0	0		0		
	11,180	120,336	4,815	51,831	15,995		172,168		
AH % by floor area: 30.11% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	148,000	3,289	306	3,289	306	1,864,800			
2 bed House	221,000	3,157	293	3,157	293	11,713,000			
3 bed House	280,000	3,333	310	3,333	310	19,656,000			
4 bed House	410,000	3,727	346	3,727	346	12,095,000			
5 bed House	500,000	3,704	344	3,704	344	3,600,000			
1 bed Flat	148,000	3,289	306	2,796	260	2,826,800			
2 bed Flat	179,000	2,983	277	2,536	236	1,503,600			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						53,259,200			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

200

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	148,000	-
2 bed House	39.0	@	221,000	8,619,000
3 bed House	52.0	@	280,000	14,560,000
4 bed House	26.0	@	410,000	10,660,000
5 bed House	6.5	@	500,000	3,250,000
1 bed Flat	6.5	@	148,000	962,000
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	130.0			38,051,000
Affordable Rent GDV -				
1 bed House	11.2	@	81,400	911,680
2 bed House	11.2	@	121,550	1,361,360
3 bed House	14.0	@	154,000	2,156,000
4 bed House	2.8	@	225,500	631,400
5 bed House	0.0	@	275,000	-
1 bed Flat	11.2	@	81,400	911,680
2 bed Flat	5.6	@	98,450	551,320
3 bed Flat	0.0	@	0	-
	56.0			6,523,440
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.4	@	88,800	124,320
2 bed House	2.8	@	132,600	371,280
3 bed House	4.2	@	168,000	705,600
4 bed House	0.7	@	246,000	172,200
5 bed House	0.7	@	300,000	210,000
1 bed Flat	1.4	@	88,800	124,320
2 bed Flat	2.8	@	107,400	300,720
3 bed Flat	0.0	@	0	-
	14.0	70.0		2,008,440
Sub-total GDV Residential	200			46,582,880
AH on-site cost analysis:		EMV (no AH) less EGDV (inc. AH)		
		6,676,320		
		417 £ psm (total GIA sqm)		
		33,382 £ per unit (total units)		
Grant	70	AH units @	0 per unit	-
Total GDV				46,582,880

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	59,735 £	(59,735)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	179,205 £	(179,205)
CIL (Mkrt only inc. garages)	Max	11,180 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		200 units @	6,600 per unit		(1,320,000)
S106 analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
Sub-total					(1,320,000)
AH Commuted Sum		15,995 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		5.71 ha @	0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	200 units @	6,600 per unit		(1,320,000)
Sub-total					(1,320,000)
Infra. Costs analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
1 bed House		567 sqm @	1,510 psm		(856,170)
2 bed House		3,710 sqm @	1,510 psm		(5,602,100)
3 bed House (EXC. garage)		5,897 sqm @	1,510 psm		(8,904,168)
4 bed House (EXC. garage)		3,245 sqm @	1,510 psm		(4,899,950)
5 bed House (EXC. garage)		972 sqm @	1,510 psm		(1,467,720)
1 bed Flat		1,011 sqm @	1,685 psm		(1,703,832)
2 bed Flat		593 sqm @	1,685 psm		(999,106)
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	70.2	0 sqm @	500 psm		-
Garages for 4B House	29.5	0 sqm @	500 psm		-
Garages for 5B House	7.2	0 sqm @	500 psm		-
Total GIA check:		15,995 £ per garage	£0		
External works		24,433,046 @	15.0%		(3,664,957)
Ext. Works analysis:			18,325 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		200 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	130.0 units @	1,011 £ per unit		(202,200)
M4(3) Category 3 Housing	Aff units	70.0 units @	10,000 £ per unit		(130,000)
Part L/FHS - Houses		200 units @	5,000 £ per unit		(1,000,000)
Part L/FHS - Flats		0 units @	2,260 £ per unit		(791)
Part L/FHS analysis:			4.1% % of BCIS costs		
Water Efficiency		200 units @	9 £ per unit		(1,800)
Carbon / Energy Reduction		200 units @	0 £ per unit		-
Sub-total					(1,544,791)
Policy Costs analysis: (design costs only)			7,724 £ per unit (total units)		
			6.3% % of BCIS costs		
Contingency (on construction)		30,962,794 @	3.0%		(928,884)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **200**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

Professional Fees	30,962,794	@	8.0%		(2,477,024)
Disposal Costs -					
OMS Marketing and Promotion	38,051,000	OMS @	1.50%	2,854 £ per unit	(570,765)
Residential Sales Agent Costs	38,051,000	OMS @	1.50%	2,854 £ per unit	(570,765)
Residential Sales Legal Costs	38,051,000	OMS @	0.50%	951 £ per unit	(190,255)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,709 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(225,346)
Developers Profit -					
Profit on OMS	38,051,000		20.00%		(7,610,200)
Margin on AH	8,531,880		6.00%	on AH values	(511,913)
Profit analysis:	46,582,880			17.44% blended GDV	(8,122,113)
	37,494,772			21.66% on costs	(8,122,113)
TOTAL COSTS					(45,616,885)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					965,995
SDLT	965,995	@	HMRC formula		(37,800)
Acquisition Agent fees	965,995	@	1.0%		(9,660)
Acquisition Legal fees	965,995	@	0.5%		(4,830)
Interest on Land	965,995	@	7.00%		(67,620)
Residual Land Value					846,085
RLV analysis:	4,230 £ per plot		148,065 £ per ha (net)	59,921 £ per acre (net)	
			96,242 £ per ha (gross)	38,949 £ per acre (gross)	
				1.82% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	35.0	dph (net)			
Site Area (net)	5.71	ha (net)	14.12	acres (net)	
Net to Gross ratio	65%				
Site Area (gross)	8.79	ha (gross)	21.72	acres (gross)	
Density analysis:	2,799	sqm/ha (net)	12,193	sqft/ac (net)	
	23	dph (gross)			
Benchmark Land Value (net)	10,237 £ per plot	358,295 £ per ha (net)	145,000	£ per acre (net)	2,047,400
BLV analysis:		232,892 £ per ha (gross)	94,250	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		(210,230)	£ per ha (net)	(85,079)	£ per acre (net)
					(1,201,315)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
£0		310,993	260,532	210,010	159,423	108,735	57,911	6,914
£1,000		297,259	246,798	196,251	145,638	94,921	44,066	(6,980)
£2,000		283,524	233,050	182,492	131,852	81,106	30,220	(20,894)
Site Specific S106 Contributions								
£6,600		269,790	219,291	168,733	118,066	67,292	16,346	(34,808)
		256,055	205,532	154,947	104,266	53,451	2,468	(48,756)
		242,321	191,773	141,162	90,451	39,606	(11,411)	(62,707)
		228,572	178,014	127,376	76,637	25,760	(25,323)	(76,685)
		214,813	164,255	113,590	62,822	11,900	(39,237)	(90,675)
		201,054	150,472	99,796	48,991	(1,979)	(53,164)	(104,693)
		187,295	136,686	85,982	35,146	(15,857)	(67,115)	(118,725)
		173,536	122,900	72,167	21,300	(29,752)	(81,068)	(132,926)
		159,777	109,114	58,353	7,453	(43,666)	(95,058)	(148,027)
		145,996	95,326	44,531	(6,425)	(57,579)	(109,049)	(164,354)
		132,210	81,512	30,686	(20,303)	(71,523)	(123,080)	(180,715)
		118,424	67,697	16,841	(34,182)	(85,474)	(137,446)	(197,109)
		104,639	53,883	2,995	(48,095)	(99,442)	(153,017)	(213,550)
		90,853	40,068	(10,871)	(62,008)	(113,432)	(169,309)	(230,047)
		77,042	26,226	(24,750)	(75,931)	(127,434)	(185,635)	(246,596)
		63,228	12,381	(38,628)	(89,882)	(142,049)	(202,005)	(263,204)
		49,413	(1,465)	(52,524)	(103,833)	(158,014)	(218,408)	(279,879)
		35,599	(15,318)	(66,437)	(117,815)	(174,287)	(234,850)	(296,627)
		21,766	(29,196)	(80,351)	(131,905)	(190,590)	(251,352)	(313,457)
		7,921	(43,075)	(94,290)	(146,809)	(206,917)	(267,904)	(330,390)
		(5,925)	(56,953)	(108,241)	(163,031)	(223,296)	(284,514)	(347,429)
		(19,770)	(70,866)	(122,199)	(179,284)	(239,706)	(301,189)	(364,587)
		(33,642)	(84,780)	(136,467)	(195,557)	(256,154)	(317,935)	(381,890)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
15%		390,661	331,137	271,518	211,796	151,934	91,846	31,472
16%		356,592	298,862	241,035	183,106	125,037	66,742	8,162
Profit								
17%		322,523	266,586	210,553	154,417	98,141	41,639	(15,148)
20%		288,454	234,310	180,070	125,727	71,244	16,536	(38,458)
19%		254,385	202,034	149,587	97,038	44,348	(8,568)	(61,769)
20%		220,316	169,758	119,105	68,348	17,451	(33,671)	(85,079)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
	50,000	315,316	264,758	214,105	163,348	112,451	61,329	9,921
	60,000	305,316	254,758	204,105	153,348	102,451	51,329	(79)
BLV (£ per acre)	70,000	295,316	244,758	194,105	143,348	92,451	41,329	(10,079)
145,000	80,000	285,316	234,758	184,105	133,348	82,451	31,329	(20,079)
	90,000	275,316	224,758	174,105	123,348	72,451	21,329	(30,079)
	100,000	265,316	214,758	164,105	113,348	62,451	11,329	(40,079)
	110,000	255,316	204,758	154,105	103,348	52,451	1,329	(50,079)
	120,000	245,316	194,758	144,105	93,348	42,451	(8,671)	(60,079)
	130,000	235,316	184,758	134,105	83,348	32,451	(18,671)	(70,079)
	140,000	225,316	174,758	124,105	73,348	22,451	(28,671)	(80,079)
	150,000	215,316	164,758	114,105	63,348	12,451	(38,671)	(90,079)
	160,000	205,316	154,758	104,105	53,348	2,451	(48,671)	(100,079)
	170,000	195,316	144,758	94,105	43,348	(7,549)	(58,671)	(110,079)
	180,000	185,316	134,758	84,105	33,348	(17,549)	(68,671)	(120,079)
	190,000	175,316	124,758	74,105	23,348	(27,549)	(78,671)	(130,079)
	200,000	165,316	114,758	64,105	13,348	(37,549)	(88,671)	(140,079)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
	15	11,564	(10,104)	(31,812)	(53,565)	(75,378)	(97,288)	(119,320)
	18	37,658	12,379	(12,948)	(38,326)	(63,774)	(89,336)	(115,039)
Density (dph)	20	63,752	34,862	5,917	(23,087)	(52,171)	(81,384)	(110,759)
35.00	23	89,846	57,345	24,781	(7,848)	(40,567)	(73,431)	(106,479)
	25	115,940	79,827	43,646	7,391	(28,963)	(65,479)	(102,199)
	28	142,034	102,310	62,511	22,631	(17,360)	(57,527)	(97,919)
	30	168,128	124,793	81,375	37,870	(5,756)	(49,575)	(93,639)
	33	194,222	147,276	100,240	53,109	5,847	(41,623)	(89,359)
	35	220,316	169,758	119,105	68,348	17,451	(33,671)	(85,079)
	38	246,410	192,241	137,969	83,587	29,055	(25,719)	(80,799)
	40	272,504	214,724	156,834	98,826	40,658	(17,767)	(76,519)
	43	298,598	237,207	175,698	114,065	52,262	(9,815)	(72,239)
	45	324,693	259,689	194,563	129,305	63,866	(1,863)	(67,959)
	48	350,787	282,172	213,428	144,544	75,469	6,089	(63,679)
	50	376,881	304,655	232,292	159,783	87,073	14,041	(59,398)
	53	402,975	327,138	251,157	175,022	98,677	21,993	(55,118)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
		627,929	574,021	520,088	466,113	412,138	358,085	304,011
		526,242	473,185	420,128	366,994	313,851	260,627	207,337
Build Cost		424,440	372,225	320,008	267,705	215,355	162,924	110,376
100%		322,480	271,098	219,681	168,197	116,605	64,882	12,978
(105% = 5% increase)		220,316	169,758	119,105	68,348	17,451	(33,671)	(85,079)
		117,905	68,095	18,159	(31,938)	(82,296)	(133,127)	(191,202)
		15,150	(33,982)	(83,308)	(133,058)	(189,742)	(248,315)	(308,140)
		(88,099)	(136,990)	(192,800)	(249,920)	(307,940)	(367,504)	(429,840)
		(200,301)	(256,094)	(312,594)	(370,200)	(429,729)	(491,795)	(554,482)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(85,079)	75%	80%	85%	90%	95%	100%	105%
		40,975	(56,803)	(158,241)	(275,192)	(397,676)	(522,765)	(847,272)
		131,191	33,989	(63,860)	(166,481)	(283,423)	(405,717)	(530,683)
Market Values		221,125	124,263	27,001	(70,929)	(174,721)	(291,655)	(413,758)
100%		310,855	214,232	117,334	19,990	(78,004)	(182,962)	(299,897)
(105% = 5% increase)		400,472	304,011	207,337	110,376	12,978	(85,079)	(191,202)
		489,978	393,648	297,150	200,441	103,418	5,967	(92,154)
		579,438	483,193	386,824	290,289	193,537	96,460	(1,050)
		668,843	572,693	476,407	380,000	283,428	186,609	89,495
		758,224	662,099	565,910	469,616	373,175	276,544	179,682

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(85,079)	5%	10%	15%	20%	25%	30%	35%
£0		220,316	169,758	119,105	68,348	17,451	(33,671)	(85,079)
£2,000		192,759	142,158	91,463	40,637	(10,355)	(61,588)	(113,170)
£4,000		165,201	114,545	63,789	12,899	(38,203)	(89,573)	(141,934)
£6,000		137,598	86,904	36,084	(14,900)	(66,103)	(117,640)	(174,381)
£8,000		109,985	59,231	8,346	(42,735)	(94,068)	(146,783)	(207,274)
£10,000		82,345	31,530	(19,444)	(70,619)	(122,110)	(179,460)	(240,363)
£12,000		54,672	3,792	(47,267)	(98,574)	(151,918)	(212,282)	(273,690)
£14,000		26,976	(23,989)	(75,146)	(126,599)	(184,557)	(245,289)	(307,312)
£16,000		(761)	(51,799)	(103,089)	(157,076)	(217,328)	(278,504)	(341,302)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **J** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **200**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				200 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		7.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	20.0%	11.2	10.0%	1.4	6%	12.6	
2 bed House	30.0%	39.0	20.0%	11.2	20.0%	2.8	27%	53.0	
3 bed House	40.0%	52.0	25.0%	14.0	30.0%	4.2	35%	70.2	
4 bed House	20.0%	26.0	5.0%	2.8	5.0%	0.7	15%	29.5	
5 bed House	5.0%	6.5	0.0%	0.0	5.0%	0.7	4%	7.2	
1 bed Flat	5.0%	6.5	20.0%	11.2	10.0%	1.4	10%	19.1	
2 bed Flat	0.0%	0.0	10.0%	5.6	20.0%	2.8	4%	8.4	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	130.0	100%	56.0	100%	14.0	100%	200.0	
OMS Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		70.0	753			70.0		753	
3 bed House		84.0	904		0.0	84.0		904	
4 bed House		110.0	1,184		0.0	110.0		1,184	
5 bed House		135.0	1,453		0.0	135.0		1,453	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
AH Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		70.0	753			70.0		753	
3 bed House		84.0	904		0.0	84.0		904	
4 bed House		110.0	1,184		0.0	110.0		1,184	
5 bed House		135.0	1,453		0.0	135.0		1,453	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
Total Gross Overall Floor areas -		OMS Units GIA		AH units GIA		Total GIA (all units)			
		(sqm)	(sqft)	(sqm)	(sqft)	(sqm)		(sqft)	
1 bed House		0	0	567	6,103	567		6,103	
2 bed House		2,730	29,385	980	10,549	3,710		39,934	
3 bed House		4,368	47,017	1,529	16,456	5,897		63,473	
4 bed House		2,860	30,785	385	4,144	3,245		34,929	
5 bed House		878	9,445	95	1,017	972		10,463	
1 bed Flat		344	3,704	667	7,180	1,011		10,884	
2 bed Flat		0	0	593	6,382	593		6,382	
3 bed Flat		0	0	0	0	0		0	
		11,180	120,336	4,815	51,831	15,995		172,168	
AH % by floor area: 30.11% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -		£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)		
1 bed House		148,000	3,289	306	3,289	306	1,864,800		
2 bed House		221,000	3,157	293	3,157	293	11,713,000		
3 bed House		280,000	3,333	310	3,333	310	19,656,000		
4 bed House		410,000	3,727	346	3,727	346	12,095,000		
5 bed House		500,000	3,704	344	3,704	344	3,600,000		
1 bed Flat		148,000	3,289	306	2,796	260	2,826,800		
2 bed Flat		179,000	2,983	277	2,536	236	1,503,600		
3 bed Flat			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0		
							53,259,200		
Affordable Housing values (£) -		Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House		81,400	55%	0	0%	0	0%	88,800	60%
2 bed House		121,550	55%	0	0%	0	0%	132,600	60%
3 bed House		154,000	55%	0	0%	0	0%	168,000	60%
4 bed House		225,500	55%	0	0%	0	0%	246,000	60%
5 bed House		275,000	55%	0	0%	0	0%	300,000	60%
1 bed Flat		81,400	55%	0	0%	0	0%	88,800	60%
2 bed Flat		98,450	55%	0	0%	0	0%	107,400	60%
3 bed Flat		0	55%	0	0%	0	0%	0	60%
* capped @£250K									

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

200

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	148,000	-
2 bed House	39.0	@	221,000	8,619,000
3 bed House	52.0	@	280,000	14,560,000
4 bed House	26.0	@	410,000	10,660,000
5 bed House	6.5	@	500,000	3,250,000
1 bed Flat	6.5	@	148,000	962,000
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	130.0			38,051,000
Affordable Rent GDV -				
1 bed House	11.2	@	81,400	911,680
2 bed House	11.2	@	121,550	1,361,360
3 bed House	14.0	@	154,000	2,156,000
4 bed House	2.8	@	225,500	631,400
5 bed House	0.0	@	275,000	-
1 bed Flat	11.2	@	81,400	911,680
2 bed Flat	5.6	@	98,450	551,320
3 bed Flat	0.0	@	0	-
	56.0			6,523,440
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.4	@	88,800	124,320
2 bed House	2.8	@	132,600	371,280
3 bed House	4.2	@	168,000	705,600
4 bed House	0.7	@	246,000	172,200
5 bed House	0.7	@	300,000	210,000
1 bed Flat	1.4	@	88,800	124,320
2 bed Flat	2.8	@	107,400	300,720
3 bed Flat	0.0	@	0	-
	14.0	70.0		2,008,440
Sub-total GDV Residential	200			46,582,880
AH on-site cost analysis:		EMV (no AH) less EGDV (inc. AH)		
		6,676,320		
		417 £ psm (total GIA sqm)		
		33,382 £ per unit (total units)		
Grant	70	AH units @	0 per unit	-
Total GDV				46,582,880

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

200

Greenfield/Brownfield:

Brownfield

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	59,735 £	(59,735)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	179,205 £	(179,205)
CIL (Mrkt only inc. garages)	Max	11,180 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		200 units @	6,600 per unit		(1,320,000)
S106 analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
Sub-total					(1,320,000)
AH Commuted Sum		15,995 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		5.71 ha @	110,000 £ per ha (if brownfield)		(628,571)
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	200 units @	6,600 per unit		(1,320,000)
Sub-total					(1,320,000)
Infra. Costs analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
1 bed House		567 sqm @	1,510 psm		(856,170)
2 bed House		3,710 sqm @	1,510 psm		(5,602,100)
3 bed House (EXC. garage)		5,897 sqm @	1,510 psm		(8,904,168)
4 bed House (EXC. garage)		3,245 sqm @	1,510 psm		(4,899,950)
5 bed House (EXC. garage)		972 sqm @	1,510 psm		(1,467,720)
1 bed Flat		1,011 sqm @	1,685 psm		(1,703,832)
2 bed Flat		593 sqm @	1,685 psm		(999,106)
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	70.2	-	0 sqm @	500 psm	-
Garages for 4B House	29.5	-	0 sqm @	500 psm	-
Garages for 5B House	7.2	-	0 sqm @	500 psm	-
Total GIA check:		15,995 £ per garage	£0		
External works		24,433,046 @	15.0%		(3,664,957)
Ext. Works analysis:			18,325 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		200 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	130.0 units @	10%	10,000 £ per unit	(130,000)
M4(3) Category 3 Housing	Aff units	70.0 units @	30%	10,000 £ per unit	(210,000)
Part L/FHS - Houses		200 units @		5,000 £ per unit	(1,000,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			4.1% % of BCIS costs		
Water Efficiency		200 units @	9 £ per unit		(1,800)
Carbon / Energy Reduction		200 units @	0 £ per unit		-
Sub-total					(1,399,991)
Policy Costs analysis: (design costs only)			7,000 £ per unit (total units)		
			5.7% % of BCIS costs		
Contingency (on construction)		31,446,566 @	5.0%		(1,572,328)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **200**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

Professional Fees	31,446,566	@	8.0%		(2,515,725)
Disposal Costs -					
OMS Marketing and Promotion	38,051,000	OMS @	1.50%	2,854 £ per unit	(570,765)
Residential Sales Agent Costs	38,051,000	OMS @	1.50%	2,854 £ per unit	(570,765)
Residential Sales Legal Costs	38,051,000	OMS @	0.50%	951 £ per unit	(190,255)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,709 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(736,841)
Developers Profit -					
Profit on OMS	38,051,000		20.00%		(7,610,200)
Margin on AH	8,531,880		6.00%	on AH values	(511,913)
Profit analysis:	46,582,880			17.44% blended GDV	(8,122,113)
	39,172,185			20.73% on costs	(8,122,113)
TOTAL COSTS					(47,294,298)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(711,418)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(711,418)
RLV analysis:	(3,557) £ per plot		(124,498) £ per ha (net)	(50,384) £ per acre (net)	
			(99,599) £ per ha (gross)	(40,307) £ per acre (gross)	
				-1.53% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	35.0	dph (net)			
Site Area (net)	5.71	ha (net)	14.12	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	7.14	ha (gross)	17.65	acres (gross)	
Density analysis:	2,799	sqm/ha (net)	12,193	sqft/ac (net)	
	28	dph (gross)			
Benchmark Land Value (net)	9,531 £ per plot	333,585 £ per ha (net)	135,000	£ per acre (net)	1,906,200
BLV analysis:		266,868 £ per ha (gross)	108,000	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		(458,083) £ per ha (net)	(185,384) £ per acre (net)		(2,617,618)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.
Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
£0		231,942	181,034	129,932	78,550	26,836	(25,358)	(78,216)
£1,000		217,661	166,708	115,525	64,078	12,254	(40,071)	(93,128)
Site Specific S106 Contributions		203,362	152,344	101,104	49,573	(2,358)	(54,835)	(108,094)
£6,600		189,037	137,972	86,680	35,047	(16,998)	(69,641)	(123,277)
£4,000		174,712	123,600	72,208	20,497	(31,679)	(84,485)	(139,596)
£5,000		160,384	109,186	57,736	5,915	(46,380)	(99,381)	(157,134)
£6,000		146,012	94,765	43,230	(8,690)	(61,142)	(114,338)	(174,760)
£7,000		131,640	80,338	28,704	(23,330)	(75,932)	(129,808)	(192,483)
£8,000		117,268	65,865	14,158	(38,001)	(90,760)	(146,746)	(210,310)
£9,000		102,847	51,393	(424)	(52,702)	(105,650)	(164,243)	(228,249)
£10,000		88,426	36,888	(15,022)	(67,450)	(120,640)	(181,823)	(246,275)
£11,000		73,995	22,362	(29,662)	(82,222)	(136,512)	(199,496)	(264,323)
£12,000		59,523	7,819	(44,323)	(97,050)	(153,897)	(217,269)	(282,372)
£13,000		45,051	(6,763)	(59,023)	(111,920)	(171,367)	(235,150)	(300,420)
£14,000		30,545	(21,354)	(73,758)	(127,141)	(188,912)	(253,105)	(318,503)
£15,000		16,019	(35,994)	(88,521)	(143,713)	(206,540)	(271,154)	(336,653)
£16,000		1,480	(50,645)	(103,341)	(161,084)	(224,258)	(289,202)	(354,803)
£17,000		(13,102)	(65,345)	(118,189)	(178,517)	(242,075)	(307,250)	(372,953)
£18,000		(27,686)	(80,066)	(133,761)	(196,021)	(259,998)	(325,298)	(391,104)
£19,000		(42,326)	(94,829)	(150,932)	(213,603)	(277,984)	(343,396)	(409,349)
£20,000		(56,966)	(109,631)	(168,270)	(231,271)	(296,032)	(361,546)	(427,602)
£21,000		(71,667)	(124,651)	(185,666)	(249,034)	(314,080)	(379,696)	(445,855)
£22,000		(86,373)	(140,893)	(203,138)	(266,899)	(332,128)	(397,847)	(464,108)
£23,000		(101,137)	(158,151)	(220,690)	(284,846)	(350,177)	(415,997)	(482,416)
£24,000		(115,921)	(175,456)	(238,319)	(302,862)	(368,289)	(434,241)	(500,772)
£25,000		(131,291)	(192,842)	(256,033)	(320,910)	(386,439)	(452,494)	(519,128)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
15%		307,733	247,492	186,928	125,974	64,482	2,185	(61,287)
16%		273,664	215,216	156,445	97,284	37,586	(22,919)	(84,597)
17%		239,596	182,940	125,963	68,595	10,689	(48,022)	(107,907)
18%		205,527	150,664	95,480	39,905	(16,207)	(73,126)	(131,786)
19%		171,458	118,389	64,997	11,216	(43,104)	(98,229)	(158,435)
20%		137,389	86,113	34,515	(17,474)	(70,000)	(123,485)	(185,384)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	222,389	171,113	119,515	67,526	15,000	(38,485)	(100,384)
	60,000	212,389	161,113	109,515	57,526	5,000	(48,485)	(110,384)
	70,000	202,389	151,113	99,515	47,526	(5,000)	(58,485)	(120,384)
	80,000	192,389	141,113	89,515	37,526	(15,000)	(68,485)	(130,384)
	90,000	182,389	131,113	79,515	27,526	(25,000)	(78,485)	(140,384)
	100,000	172,389	121,113	69,515	17,526	(35,000)	(88,485)	(150,384)
	110,000	162,389	111,113	59,515	7,526	(45,000)	(98,485)	(160,384)
	120,000	152,389	101,113	49,515	(2,474)	(55,000)	(108,485)	(170,384)
	130,000	142,389	91,113	39,515	(12,474)	(65,000)	(118,485)	(180,384)
	140,000	132,389	81,113	29,515	(22,474)	(75,000)	(128,485)	(190,384)
	150,000	122,389	71,113	19,515	(32,474)	(85,000)	(138,485)	(200,384)
	160,000	112,389	61,113	9,515	(42,474)	(95,000)	(148,485)	(210,384)
	170,000	102,389	51,113	(485)	(52,474)	(105,000)	(158,485)	(220,384)
	180,000	92,389	41,113	(10,485)	(62,474)	(115,000)	(168,485)	(230,384)
	190,000	82,389	31,113	(20,485)	(72,474)	(125,000)	(178,485)	(240,384)
	200,000	72,389	21,113	(30,485)	(82,474)	(135,000)	(188,485)	(250,384)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	(46,971)	(69,190)	(91,582)	(114,209)	(137,879)	(164,979)	(192,806)
	18	(23,889)	(49,725)	(75,764)	(102,055)	(128,765)	(159,556)	(191,819)
	20	(815)	(30,296)	(59,976)	(89,937)	(120,275)	(154,182)	(190,832)
	23	22,230	(10,868)	(44,204)	(77,828)	(111,872)	(148,834)	(189,888)
	25	45,276	8,533	(28,449)	(65,747)	(103,477)	(143,523)	(188,950)
	28	68,321	27,931	(12,694)	(53,665)	(95,100)	(138,214)	(188,044)
	30	91,347	47,330	3,052	(41,589)	(86,733)	(133,105)	(187,138)
	33	114,368	66,728	18,783	(29,532)	(78,367)	(128,275)	(186,261)
	35	137,389	86,113	34,515	(17,474)	(70,000)	(123,485)	(185,384)
	38	160,410	105,491	50,246	(5,416)	(61,654)	(118,750)	(184,507)
	40	183,431	124,869	65,977	6,642	(53,308)	(114,119)	(183,644)
	43	206,453	144,247	81,709	18,699	(44,962)	(109,519)	(182,790)
	45	229,474	163,625	97,440	30,752	(36,616)	(104,920)	(181,936)
	48	252,495	183,002	113,163	42,794	(28,270)	(100,320)	(181,082)
	50	275,512	202,380	128,879	54,836	(19,923)	(95,721)	(180,228)
	53	298,520	221,758	144,596	66,878	(11,577)	(91,121)	(179,374)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

200

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
		559,385	505,356	451,282	397,095	342,803	288,380	233,787
		454,548	401,309	347,970	294,514	240,905	187,104	133,019
Build Cost		349,335	296,836	244,199	191,386	138,359	85,002	31,250
100%		243,671	191,833	139,798	87,501	34,862	(18,267)	(72,056)
(105% = 5% increase)		137,389	86,113	34,515	(17,474)	(70,000)	(123,485)	(185,384)
		30,274	(20,632)	(72,021)	(124,224)	(184,423)	(247,255)	(311,387)
		(78,040)	(129,297)	(188,422)	(249,363)	(311,960)	(375,139)	(438,833)
		(197,244)	(256,546)	(317,358)	(379,103)	(441,322)	(504,048)	(567,357)
		(327,698)	(388,118)	(448,924)	(510,169)	(571,908)	(634,193)	(697,079)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(185,384)	75%	80%	85%	90%	95%	100%	105%
		(32,695)	(138,902)	(264,498)	(391,977)	(520,830)	(896,362)	(1,686,707)
		60,222	(42,504)	(150,507)	(276,220)	(403,691)	(532,462)	(829,833)
Market Values		152,028	50,592	(52,341)	(162,122)	(287,942)	(415,405)	(544,094)
100%		243,152	142,548	40,927	(62,190)	(173,738)	(299,664)	(427,119)
(105% = 5% increase)		333,835	233,787	133,019	31,250	(72,056)	(185,384)	(311,387)
		424,192	324,555	224,380	123,490	21,549	(81,943)	(197,029)
		514,333	415,009	315,249	214,959	113,920	11,826	(91,829)
		604,308	505,214	405,779	305,940	205,520	104,340	2,099
		694,165	595,254	496,064	396,534	296,576	196,044	94,743

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(185,384)	5%	10%	15%	20%	25%	30%	35%
£0		137,389	86,113	34,515	(17,474)	(70,000)	(123,485)	(185,384)
£2,000		108,641	57,210	5,441	(46,783)	(99,645)	(157,164)	(220,984)
£4,000		79,825	28,233	(23,735)	(76,227)	(129,929)	(192,269)	(256,931)
£6,000		50,923	(832)	(53,029)	(105,821)	(164,183)	(227,732)	(292,941)
£8,000		21,950	(29,997)	(82,453)	(136,562)	(199,186)	(263,588)	(329,044)
£10,000		(7,106)	(59,275)	(112,020)	(171,209)	(234,528)	(299,598)	(365,258)
£12,000		(36,259)	(88,679)	(143,666)	(206,143)	(270,249)	(335,613)	(401,522)
£14,000		(65,521)	(118,223)	(178,273)	(241,379)	(306,255)	(371,826)	(437,940)
£16,000		(94,905)	(150,794)	(213,113)	(276,978)	(342,264)	(408,040)	(474,369)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **K** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **500**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				500 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %									
Open Market Sale (OMS)									
Affordable Rent:				80.0%					
Social Rent:				0.0%					
First Homes:				0.0%					
Other Intermediate (LCHO/Sub-Market etc.):				20.0%					
				100%		100.0%			
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	16.3	20.0%	28.0	10.0%	3.5	10%	47.8	
2 bed House	30.0%	97.5	20.0%	28.0	20.0%	7.0	27%	132.5	
3 bed House	40.0%	130.0	25.0%	35.0	30.0%	10.5	35%	175.5	
4 bed House	20.0%	65.0	5.0%	7.0	5.0%	1.8	15%	73.8	
5 bed House	5.0%	16.3	0.0%	0.0	5.0%	1.8	4%	18.0	
1 bed Flat	0.0%	0.0	20.0%	28.0	10.0%	3.5	6%	31.5	
2 bed Flat	0.0%	0.0	10.0%	14.0	20.0%	7.0	4%	21.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	325.0		140.0	100%	35.0	100%	500.0	
OMS Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		70.0	753			70.0		753	
3 bed House		84.0	904		0.0	84.0		904	
4 bed House		110.0	1,184		0.0	110.0		1,184	
5 bed House		135.0	1,453		0.0	135.0		1,453	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
AH Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		70.0	753			70.0		753	
3 bed House		84.0	904		0.0	84.0		904	
4 bed House		110.0	1,184		0.0	110.0		1,184	
5 bed House		135.0	1,453		0.0	135.0		1,453	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
Total Gross Overall Floor areas -		OMS Units GIA		AH units GIA		Total GIA (all units)			
		(sqm)	(sqft)	(sqm)	(sqft)	(sqm)		(sqft)	
1 bed House		731	7,871	1,418	15,258	2,149		23,129	
2 bed House		6,825	73,464	2,450	26,372	9,275		99,835	
3 bed House		10,920	117,542	3,822	41,140	14,742		158,682	
4 bed House		7,150	76,962	963	10,360	8,113		87,322	
5 bed House		2,194	23,613	236	2,543	2,430		26,156	
1 bed Flat		0	0	1,668	17,950	1,668		17,950	
2 bed Flat		0	0	1,482	15,956	1,482		15,956	
3 bed Flat		0	0	0	0	0		0	
		27,820	299,452	12,038	129,579	39,858		429,031	
AH % by floor area: 30.20% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -		£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)		
1 bed House		148,000	3,289	306	3,289	306	7,067,000		
2 bed House		221,000	3,157	293	3,157	293	29,282,500		
3 bed House		280,000	3,333	310	3,333	310	49,140,000		
4 bed House		410,000	3,727	346	3,727	346	30,237,500		
5 bed House		500,000	3,704	344	3,704	344	9,000,000		
1 bed Flat		148,000	3,289	306	2,796	260	4,662,000		
2 bed Flat		179,000	2,983	277	2,536	236	3,759,000		
3 bed Flat			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0		
							133,148,000		
Affordable Housing values (£) -		Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House		81,400	55%	0	0%	0	0%	88,800	60%
2 bed House		121,550	55%	0	0%	0	0%	132,600	60%
3 bed House		154,000	55%	0	0%	0	0%	168,000	60%
4 bed House		225,500	55%	0	0%	0	0%	246,000	60%
5 bed House		275,000	55%	0	0%	0	0%	300,000	60%
1 bed Flat		81,400	55%	0	0%	0	0%	88,800	60%
2 bed Flat		98,450	55%	0	0%	0	0%	107,400	60%
3 bed Flat		0	55%	0	0%	0	0%	0	60%

* capped @£250K

* capped @£250K

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

500

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	16.3	@	148,000	2,405,000
2 bed House	97.5	@	221,000	21,547,500
3 bed House	130.0	@	280,000	36,400,000
4 bed House	65.0	@	410,000	26,650,000
5 bed House	16.3	@	500,000	8,125,000
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	325.0			95,127,500
Affordable Rent GDV -				
1 bed House	28.0	@	81,400	2,279,200
2 bed House	28.0	@	121,550	3,403,400
3 bed House	35.0	@	154,000	5,390,000
4 bed House	7.0	@	225,500	1,578,500
5 bed House	0.0	@	275,000	-
1 bed Flat	28.0	@	81,400	2,279,200
2 bed Flat	14.0	@	98,450	1,378,300
3 bed Flat	0.0	@	0	-
	140.0			16,308,600
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	3.5	@	88,800	310,800
2 bed House	7.0	@	132,600	928,200
3 bed House	10.5	@	168,000	1,764,000
4 bed House	1.8	@	246,000	430,500
5 bed House	1.8	@	300,000	525,000
1 bed Flat	3.5	@	88,800	310,800
2 bed Flat	7.0	@	107,400	751,800
3 bed Flat	0.0	@	0	-
	35.0	175.0		5,021,100
Sub-total GDV Residential				116,457,200
AH on-site cost analysis:				
419 £ psm (total GIA sqm)				16,690,800
EMV (no AH) less £GDV (inc. AH)				
33,382 £ per unit (total units)				
Grant				
175	AH units @		0 per unit	-
Total GDV				116,457,200

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units:

500

Greenfield/Brownfield:

Greenfield

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	116,435 £	(116,435)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	349,305 £	(349,305)
CIL (Mkrt only inc. garages)	Max	27,820 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		500 units @	6,600 per unit		(3,300,000)
S106 analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
Sub-total					(3,300,000)
AH Commuted Sum		39,858 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		14.29 ha @	0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	500 units @	6,600 per unit		(3,300,000)
Sub-total					(3,300,000)
Infra. Costs analysis:		2.83% % of GDV	6,600 £ per unit (total units)		
1 bed House		2,149 sqm @	1,510 psm		(3,244,613)
2 bed House		9,275 sqm @	1,510 psm		(14,005,250)
3 bed House (EXC. garage)		14,742 sqm @	1,510 psm		(22,260,420)
4 bed House (EXC. garage)		8,113 sqm @	1,510 psm		(12,249,875)
5 bed House (EXC. garage)		2,430 sqm @	1,510 psm		(3,669,300)
1 bed Flat		1,668 sqm @	1,685 psm		(2,809,985)
2 bed Flat		1,482 sqm @	1,685 psm		(2,497,765)
3 bed Flat		- sqm @	1,685 psm		-
Garages for 3B House	175.5	-	0 sqm @	500 psm	-
Garages for 4B House	73.8	-	0 sqm @	500 psm	-
Garages for 5B House	18.0	-	0 sqm @	500 psm	-
Total GIA check:		39,858 £ per garage	£0		
External works		60,737,208 @	15.0%		(9,110,581)
Ext. Works analysis:			18,221 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		500 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	325.0 units @	1,011 £ per unit		(505,500)
M4(3) Category 3 Housing	Aff units	175.0 units @	10% 10,000 £ per unit		(325,000)
Part L/FHS - Houses		500 units @	30% 10,000 £ per unit		(525,000)
Part L/FHS - Flats		0 units @	5,000 £ per unit		(2,500,000)
Part L/FHS analysis:			2,260 £ per unit		(791)
Water Efficiency			4.1% % of BCIS costs		
Carbon / Energy Reduction		500 units @	9 £ per unit		(4,500)
		500 units @	0 £ per unit		-
Sub-total					(3,860,791)
Policy Costs analysis: (design costs only)			7,722 £ per unit (total units)		
Contingency (on construction)			6.4% % of BCIS costs		
		77,008,580 @	3.0%		(2,310,257)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

500

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

Professional Fees	77,008,580	@	8.0%		(6,160,686)
Disposal Costs -					
OMS Marketing and Promotion	95,127,500	OMS @	1.50%	2,854 £ per unit	(1,426,913)
Residential Sales Agent Costs	95,127,500	OMS @	1.50%	2,854 £ per unit	(1,426,913)
Residential Sales Legal Costs	95,127,500	OMS @	0.50%	951 £ per unit	(475,638)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,679 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(453,091)
Developers Profit -					
Profit on OMS	95,127,500		20.00%		(19,025,500)
Margin on AH	21,329,700		6.00%	on AH values	(1,279,782)
Profit analysis:	116,457,200			17.44% blended GDV	(20,305,282)
	93,037,817			21.82% on costs	(20,305,282)
TOTAL COSTS					(113,343,099)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					3,114,101
SDLT	3,114,101	@	HMRC formula		(145,205)
Acquisition Agent fees	3,114,101	@	1.0%		(31,141)
Acquisition Legal fees	3,114,101	@	0.5%		(15,571)
Interest on Land	3,114,101	@	7.00%		(217,987)
Residual Land Value					2,704,198
RLV analysis:	5,408 £ per plot				
		189,294 £ per ha (net)		76,606 £ per acre (net)	
		123,041 £ per ha (gross)		49,794 £ per acre (gross)	
				2.32% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	35.0	dph (net)			
Site Area (net)	14.29	ha (net)	35.30	acres (net)	
Net to Gross ratio	65%				
Site Area (gross)	21.98	ha (gross)	54.31	acres (gross)	
Density analysis:		2,790 sqm/ha (net)		12,154 sqft/ac (net)	
		23 dph (gross)			
Benchmark Land Value (net)	10,237 £ per plot	358,295 £ per ha (net)	145,000	£ per acre (net)	5,118,500
BLV analysis:		232,892 £ per ha (gross)		94,250 £ per acre (gross)	

BALANCE					
Surplus/(Deficit)		(169,001) £ per ha (net)	(68,394) £ per acre (net)		(2,414,302)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

500

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,394)	5%	10%	15%	20%	25%	30%	35%
£0		331,681	280,450	229,172	177,834	126,409	74,878	23,196
£1,000		317,979	266,738	215,444	164,083	112,643	61,081	9,353
Site Specific S106 Contributions		304,267	253,015	201,707	150,332	98,862	47,269	(4,497)
£6,600		290,556	239,291	187,970	136,576	85,081	33,455	(18,365)
		276,844	225,567	174,232	122,810	71,290	19,625	(32,243)
		263,133	211,840	160,481	109,044	57,493	5,792	(46,133)
		249,409	198,102	146,730	95,269	43,689	(8,058)	(60,042)
		235,685	184,365	132,978	81,488	29,875	(21,915)	(73,966)
		221,961	170,628	119,212	67,703	16,054	(35,784)	(87,906)
		208,235	156,879	105,446	53,906	2,222	(48,669)	(101,865)
		194,498	143,127	91,675	40,109	(11,619)	(63,565)	(115,844)
		180,761	129,376	77,894	26,295	(25,469)	(77,474)	(129,846)
		167,024	115,613	64,113	12,481	(39,333)	(91,404)	(144,122)
		153,277	101,847	50,318	(1,349)	(53,206)	(105,349)	(160,288)
		139,525	88,082	36,521	(15,180)	(67,094)	(119,313)	(176,568)
		125,774	74,300	22,715	(29,030)	(80,997)	(133,296)	(192,885)
		112,015	60,519	8,901	(42,883)	(94,911)	(148,004)	(209,240)
		98,249	46,731	(4,920)	(56,752)	(108,841)	(164,223)	(225,645)
		84,483	32,934	(18,751)	(70,631)	(122,792)	(180,472)	(242,097)
		70,707	19,135	(32,591)	(84,520)	(136,760)	(196,754)	(258,608)
		56,926	5,321	(46,440)	(98,428)	(151,988)	(213,072)	(275,179)
		43,144	(8,493)	(60,302)	(112,349)	(168,183)	(229,428)	(291,821)
		29,346	(22,323)	(74,170)	(126,283)	(184,405)	(245,832)	(308,543)
		15,549	(36,154)	(88,057)	(140,292)	(200,657)	(262,281)	(325,358)
		1,741	(50,002)	(101,951)	(155,988)	(216,941)	(278,786)	(342,274)
		(12,073)	(63,851)	(115,860)	(172,163)	(233,259)	(295,348)	(359,311)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,394)	5%	10%	15%	20%	25%	30%	35%
15%		411,519	351,239	290,892	230,448	169,883	109,149	48,158
16%		377,450	318,963	260,410	201,758	142,987	84,046	24,847
Profit		343,381	286,687	229,927	173,069	116,090	58,943	1,537
20%		309,313	254,412	199,444	144,379	89,194	33,839	(21,773)
		275,244	222,136	168,962	115,690	62,297	8,736	(45,084)
		241,175	189,860	138,479	87,000	35,401	(16,368)	(68,394)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units:

500

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,394)	5%	10%	15%	20%	25%	30%	35%
	50,000	336,175	284,860	233,479	182,000	130,401	78,632	26,606
	60,000	326,175	274,860	223,479	172,000	120,401	68,632	16,606
BLV (£ per acre)	70,000	316,175	264,860	213,479	162,000	110,401	58,632	6,606
145,000	80,000	306,175	254,860	203,479	152,000	100,401	48,632	(3,394)
	90,000	296,175	244,860	193,479	142,000	90,401	38,632	(13,394)
	100,000	286,175	234,860	183,479	132,000	80,401	28,632	(23,394)
	110,000	276,175	224,860	173,479	122,000	70,401	18,632	(33,394)
	120,000	266,175	214,860	163,479	112,000	60,401	8,632	(43,394)
	130,000	256,175	204,860	153,479	102,000	50,401	(1,368)	(53,394)
	140,000	246,175	194,860	143,479	92,000	40,401	(11,368)	(63,394)
	150,000	236,175	184,860	133,479	82,000	30,401	(21,368)	(73,394)
	160,000	226,175	174,860	123,479	72,000	20,401	(31,368)	(83,394)
	170,000	216,175	164,860	113,479	62,000	10,401	(41,368)	(93,394)
	180,000	206,175	154,860	103,479	52,000	401	(51,368)	(103,394)
	190,000	196,175	144,860	93,479	42,000	(9,599)	(61,368)	(113,394)
	200,000	186,175	134,860	83,479	32,000	(19,599)	(71,368)	(123,394)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(68,394)	5%	10%	15%	20%	25%	30%	35%
	15	20,504	(1,489)	(23,509)	(45,571)	(67,685)	(89,872)	(112,169)
	18	48,087	22,430	(3,261)	(29,000)	(54,800)	(80,684)	(106,697)
Density (dph)	20	75,671	46,349	16,988	(12,429)	(41,914)	(71,496)	(101,225)
35.00	23	103,255	70,267	37,236	4,143	(29,028)	(62,308)	(95,753)
	25	130,839	94,186	57,485	20,714	(16,142)	(53,120)	(90,281)
	28	158,423	118,104	77,733	37,286	(3,257)	(43,932)	(84,809)
	30	186,007	142,023	97,982	53,857	9,629	(34,744)	(79,338)
	33	213,591	165,942	118,230	70,429	22,515	(25,556)	(73,866)
	35	241,175	189,860	138,479	87,000	35,401	(16,368)	(68,394)
	38	268,759	213,779	158,727	103,571	48,286	(7,179)	(62,922)
	40	296,343	237,697	178,976	120,143	61,172	2,009	(57,450)
	43	323,927	261,616	199,224	136,714	74,058	11,197	(51,978)
	45	351,511	285,534	219,473	153,286	86,944	20,385	(46,506)
	48	379,094	309,453	239,721	169,857	99,829	29,573	(41,034)
	50	406,678	333,372	259,970	186,429	112,715	38,761	(35,563)
	53	434,262	357,290	280,218	203,000	125,601	47,949	(30,091)

Page 41/50

S:_Client Projects\1807 Isle of Wight Whole Plan Viability Study_Isle of Wight Council\2506 WPV Update_Appraisals\250911_Isle of Wight Residential Appraisal_G L_v1\K - 500-units (GF)

© Copyright Aspinall Verdi Limit

No Units: **500**

Location / Value Zone: **Lower**

Greenfield/Brownfield: **Greenfield**

Lower Quartile BCIS : 35% AH

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1

Appraisal Ref: **L** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Lower** No Units: **1200**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Mixed (GF/BF)**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				1,200 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				80.0%					
Affordable Rent:				0.0%					
Social Rent:				0.0%					
First Homes:				0.0%					
Other Intermediate (LCHO/Sub-Market etc.):				20.0%					
				100%		100.0%			
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	39.0	20.0%	67.2	10.0%	8.4	10%	114.6	
2 bed House	30.0%	234.0	20.0%	67.2	20.0%	16.8	27%	318.0	
3 bed House	40.0%	312.0	25.0%	84.0	30.0%	25.2	35%	421.2	
4 bed House	20.0%	156.0	5.0%	16.8	5.0%	4.2	15%	177.0	
5 bed House	5.0%	39.0	0.0%	0.0	5.0%	4.2	4%	43.2	
1 bed Flat		0.0	20.0%	67.2	10.0%	8.4	6%	75.6	
2 bed Flat	0.0%	0.0	10.0%	33.6	20.0%	16.8	4%	50.4	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	780.0		336.0	100%	84.0	100%	1,200.0	
Net area per unit			Net to Gross %		Garage area		Gross (GIA) per unit		
(sqm)		(sqft)	%		(sqm)		(sqft)		
OMS Floor areas, per Unit -									
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484	85.0%				52.9	570	
2 bed Flat	60.0	646	85.0%				70.6	760	
3 bed Flat	0.0	0	85.0%				0.0	0	
Net area per unit			Net to Gross %		Garage area		Gross (GIA) per unit		
(sqm)		(sqft)	%		(sqm)		(sqft)		
AH Floor areas, per Unit -									
1 bed House	45.0	484					45.0	484	
2 bed House	70.0	753					70.0	753	
3 bed House	84.0	904			0.0		84.0	904	
4 bed House	110.0	1,184			0.0		110.0	1,184	
5 bed House	135.0	1,453			0.0		135.0	1,453	
1 bed Flat	45.0	484	85.0%				52.9	570	
2 bed Flat	60.0	646	85.0%				70.6	760	
3 bed Flat	0.0	0	85.0%				0.0	0	
OMS Units GIA			AH units GIA		Total GIA (all units)				
(sqm)		(sqft)	(sqm)		(sqft)	(sqm)	(sqft)		
Total Gross Overall Floor areas -									
1 bed House	1,755	18,891	3,402		36,619	5,157	55,509		
2 bed House	16,380	176,313	5,880		63,292	22,260	239,605		
3 bed House	26,208	282,101	9,173		98,735	35,381	380,836		
4 bed House	17,160	184,709	2,310		24,865	19,470	209,573		
5 bed House	5,265	56,672	567		6,103	5,832	62,775		
1 bed Flat	0	0	4,002		43,081	4,002	43,081		
2 bed Flat	0	0	3,558		38,294	3,558	38,294		
3 bed Flat	0	0	0		0	0	0		
	66,768	718,685	28,892		310,989	95,660	1,029,673		
AH % by floor area:		30.20% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	148,000	3,289	306	3,289	306	16,960,800			
2 bed House	221,000	3,157	293	3,157	293	70,278,000			
3 bed House	280,000	3,333	310	3,333	310	117,936,000			
4 bed House	410,000	3,727	346	3,727	346	72,570,000			
5 bed House	500,000	3,704	344	3,704	344	21,600,000			
1 bed Flat	148,000	3,289	306	2,796	260	11,188,800			
2 bed Flat	179,000	2,983	277	2,536	236	9,021,600			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						319,555,200			
Affordable Housing values (£) -	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed House	121,550	55%	0	0%	0	0%	132,600	60%	
3 bed House	154,000	55%	0	0%	0	0%	168,000	60%	
4 bed House	225,500	55%	0	0%	0	0%	246,000	60%	
5 bed House	275,000	55%	0	0%	0	0%	300,000	60%	
1 bed Flat	81,400	55%	0	0%	0	0%	88,800	60%	
2 bed Flat	98,450	55%	0	0%	0	0%	107,400	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units: 1200

Greenfield/Brownfield:

Mixed (GF/BF)

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	39.0	@	148,000	5,772,000
2 bed House	234.0	@	221,000	51,714,000
3 bed House	312.0	@	280,000	87,360,000
4 bed House	156.0	@	410,000	63,960,000
5 bed House	39.0	@	500,000	19,500,000
1 bed Flat	0.0	@	148,000	-
2 bed Flat	0.0	@	179,000	-
3 bed Flat	0.0	@	0	-
	780.0			228,306,000
Affordable Rent GDV -				
1 bed House	67.2	@	81,400	5,470,080
2 bed House	67.2	@	121,550	8,168,160
3 bed House	84.0	@	154,000	12,936,000
4 bed House	16.8	@	225,500	3,788,400
5 bed House	0.0	@	275,000	-
1 bed Flat	67.2	@	81,400	5,470,080
2 bed Flat	33.6	@	98,450	3,307,920
3 bed Flat	0.0	@	0	-
	336.0			39,140,640
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	8.4	@	88,800	745,920
2 bed House	16.8	@	132,600	2,227,680
3 bed House	25.2	@	168,000	4,233,600
4 bed House	4.2	@	246,000	1,033,200
5 bed House	4.2	@	300,000	1,260,000
1 bed Flat	8.4	@	88,800	745,920
2 bed Flat	16.8	@	107,400	1,804,320
3 bed Flat	0.0	@	0	-
	84.0	420.0		12,050,640
Sub-total GDV Residential	1,200			279,497,280
AH on-site cost analysis:				
	419 £ psm (total GIA sqm)		EMV (no AH) less EGDV (inc. AH)	40,057,920
			33,382 £ per unit (total units)	
Grant	420	AH units @	0 per unit	-
Total GDV				279,497,280

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone: **Lower**

Lower Quartile BCIS : 35% AH

No Units: **1200**

Greenfield/Brownfield: **Mixed (GF/BF)**

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25				(capped at £411,885)	248,735 £			(248,735)
Planning Application Professional Fees, Surveys and reports					(capped at £1,500,000)	746,205 £			(746,205)
CIL (Mkrt only inc. garages)	Max		66,768 sqm			0.00 £ psm			-
CIL analysis:			0.00% % of GDV			0 £ per unit (total units)			
Site Specific S106	Year 1					0			-
(strategic site cashflow yrs 1-15)	Year 2					0			-
	Year 3					0			-
	Year 4					0			-
	Year 5					0			-
	Year 6					0			-
	Year 7					0			-
	Year 8					0			-
	Year 9					0			-
	Year 10					0			-
	Year 11					0			-
	Year 12					0			-
	Year 13					0			-
	Year 14					0			-
	Year 15					0			-
Site Specific S106 (installment)			1,200 units @			6,600 per unit			(7,920,000)
Sub-total								(7,920,000)	
S106 analysis:		297,000 £ per ha	2.83% % of GDV			6,600 £ per unit (total units)			
AH Commuted Sum			95,660 sqm (total)			0 £ psm			-
Comm. Sum analysis:			0.00% % of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation			26.67 ha @			110,000 £ per ha (if brownfield)			(2,933,333)
Site Infrastructure costs	Year 1		0						-
(strategic site cashflow yrs 1-15)	Year 2		0						-
	Year 3		0						-
	Year 4		0						-
	Year 5		0						-
	Year 6		0						-
	Year 7		0						-
	Year 8		0						-
	Year 9		0						-
	Year 10		0						-
	Year 11		0						-
	Year 12		0						-
	Year 13		0						-
	Year 14		0						-
	Year 15		0						-
Years 1-15			1,200 units @			6,600 per unit			(7,920,000)
Sub-total								(7,920,000)	
Infra. Costs analysis:		297,000 £ per ha	2.83% % of GDV			6,600 £ per unit (total units)			
1 bed House			5,157 sqm @			1,510 psm			(7,787,070)
2 bed House			22,260 sqm @			1,510 psm			(33,612,600)
3 bed House (EXC. garage)			35,381 sqm @			1,510 psm			(53,425,008)
4 bed House (EXC. garage)			19,470 sqm @			1,510 psm			(29,399,700)
5 bed House (EXC. garage)			5,832 sqm @			1,510 psm			(8,806,320)
1 bed Flat			4,002 sqm @			1,685 psm			(6,743,965)
2 bed Flat			3,558 sqm @			1,685 psm			(5,994,635)
3 bed Flat			- sqm @			1,685 psm			-
Garages for 3B House	421.2	-	0 sqm @			500 psm			-
Garages for 4B House	177.0	-	0 sqm @			500 psm			-
Garages for 5B House	43.2	-	0 sqm @			500 psm			-
Total GIA check:			95,660	£ per garage		£0			
External works			145,769,298 @			15.0%			(21,865,395)
Ext. Works analysis:						18,221 £ per unit (total units)			
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs			1,200 units @			0 £ per unit			-
M4(3) Category 3 Housing	OMS units	780.0 units @				287 £ per unit			(344,400)
M4(3) Category 3 Housing	Aff units	420.0 units @		10%		10,000 £ per unit			(780,000)
Part L/FHS - Houses		1,200 units @		30%		10,000 £ per unit			(1,260,000)
Part L/FHS - Flats		0 units @				5,000 £ per unit			(6,000,000)
Part L/FHS analysis:						2,260 £ per unit			(791)
Part L/FHS analysis:						4.1% % of BCIS costs			
Water Efficiency		1,200 units @				9 £ per unit			(10,800)
Carbon / Energy Reduction		1,200 units @				0 £ per unit			-
Sub-total								(8,395,991)	
Policy Costs analysis: (design costs only)						6,997 £ per unit (total units)			
						5.8% % of BCIS costs			
Contingency (on construction)			186,884,017 @			5.0%			(9,344,201)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

Lower Quartile BCIS : 35% AH

No Units: **1200**

Greenfield/Brownfield:

Mixed (GF/BF)

Professional Fees	186,884,017	@	8.0%		(14,950,721)
Disposal Costs -					
OMS Marketing and Promotion	228,306,000	OMS @	1.50%	2,854 £ per unit	(3,424,590)
Residential Sales Agent Costs	228,306,000	OMS @	1.50%	2,854 £ per unit	(3,424,590)
Residential Sales Legal Costs	228,306,000	OMS @	0.50%	951 £ per unit	(1,141,530)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,667 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(4,875,417)
Developers Profit -					
Profit on OMS	228,306,000		20.00%		(45,661,200)
Margin on AH	51,191,280		6.00%	on AH values	(3,071,477)
Profit analysis:	279,497,280			17.44% blended GDV	(48,732,677)
	232,970,006			20.92% on costs	(48,732,677)
TOTAL COSTS					(281,702,683)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(2,205,403)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(2,205,403)
RLV analysis:	(1,838) £ per plot		(82,703) £ per ha (net)	(33,469) £ per acre (net)	
			(62,027) £ per ha (gross)	(25,102) £ per acre (gross)	
				-0.79% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density		45.0	dph (net)		
Site Area (net)		26.67	ha (net)	65.89	acres (net)
Net to Gross ratio		75%			
Site Area (gross)		35.56	ha (gross)	87.86	acres (gross)
Density analysis:		3,587	sqm/ha (net)	15,626	sqft/ac (net)
		34	dph (gross)		
Benchmark Land Value (net)	7,413 £ per plot	333,585	£ per ha (net)	135,000	£ per acre (net)
BLV analysis:		250,189	£ per ha (gross)	101,250	£ per acre (gross)

BALANCE					
Surplus/(Deficit)		(416,288)	£ per ha (net)	(168,469)	£ per acre (net)
					(11,101,003)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower Quartile BCIS : 35% AH

No Units:

1200

Greenfield/Brownfield:

Mixed (GF/BF)

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above. Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
	£0	375,501	308,690	241,548	173,964	105,782	36,749	(33,547)
	£1,000	357,142	290,258	223,023	155,315	86,966	17,694	(52,957)
Site Specific S106 Contributions	£2,000	338,769	271,806	204,471	136,632	68,100	(1,429)	(72,469)
£6,600	£3,000	320,378	253,333	185,891	117,913	49,188	(20,621)	(92,086)
	£4,000	301,966	234,838	167,282	99,153	30,219	(39,891)	(111,824)
	£5,000	283,536	216,318	148,642	80,352	11,197	(59,243)	(131,697)
	£6,000	265,087	197,771	129,968	61,509	(7,890)	(78,686)	(154,499)
	£7,000	246,619	179,198	111,261	42,618	(27,042)	(98,228)	(177,825)
	£8,000	228,126	160,596	92,517	23,676	(46,265)	(117,882)	(201,359)
	£9,000	209,608	141,966	73,735	4,682	(65,565)	(138,249)	(225,127)
	£10,000	191,067	123,305	54,908	(14,370)	(84,950)	(161,258)	(249,158)
	£11,000	172,500	104,608	36,037	(33,486)	(104,426)	(184,434)	(273,488)
	£12,000	153,906	85,876	17,123	(52,667)	(124,000)	(207,796)	(298,154)
	£13,000	135,284	67,106	(1,848)	(71,919)	(145,224)	(231,366)	(323,211)
	£14,000	116,631	48,299	(20,868)	(91,250)	(168,118)	(255,167)	(348,718)
	£15,000	97,947	29,451	(39,951)	(110,666)	(191,165)	(279,229)	(374,744)
	£16,000	79,230	10,553	(59,094)	(130,174)	(214,378)	(303,583)	(401,379)
	£17,000	60,477	(8,391)	(78,303)	(152,273)	(237,776)	(328,272)	(428,740)
	£18,000	41,683	(27,385)	(97,587)	(175,064)	(261,379)	(353,339)	(456,966)
	£19,000	22,850	(46,435)	(116,949)	(197,997)	(285,212)	(378,846)	(486,243)
	£20,000	3,975	(65,544)	(136,797)	(221,077)	(309,300)	(404,858)	(516,812)
	£21,000	(14,944)	(84,713)	(159,383)	(244,325)	(333,680)	(431,462)	(549,004)
	£22,000	(33,916)	(103,954)	(182,086)	(267,758)	(358,389)	(458,762)	(583,273)
	£23,000	(52,935)	(123,267)	(204,917)	(291,396)	(383,468)	(486,890)	(620,272)
	£24,000	(72,013)	(144,037)	(227,880)	(315,260)	(408,975)	(516,018)	(660,980)
	£25,000	(91,146)	(166,553)	(251,000)	(339,378)	(434,973)	(546,367)	(704,864)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
	15%	473,022	394,115	314,711	234,612	153,534	70,980	(13,940)
	16%	429,219	352,618	275,519	197,726	118,953	38,704	(43,910)
Profit	17%	385,416	311,120	236,327	160,839	84,371	6,428	(73,881)
20%	18%	341,613	269,623	197,135	123,953	49,790	(25,848)	(103,851)
	19%	297,810	228,125	157,943	87,066	15,209	(58,123)	(133,922)
	20%	254,007	186,628	118,751	50,179	(19,372)	(90,399)	(168,469)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: 1200

Greenfield/Brownfield:

Mixed (GF/BF)

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 135,000	50,000	339,007	271,628	203,751	135,179	65,628	(5,399)	(83,469)
	60,000	329,007	261,628	193,751	125,179	55,628	(15,399)	(93,469)
	70,000	319,007	251,628	183,751	115,179	45,628	(25,399)	(103,469)
	80,000	309,007	241,628	173,751	105,179	35,628	(35,399)	(113,469)
	90,000	299,007	231,628	163,751	95,179	25,628	(45,399)	(123,469)
	100,000	289,007	221,628	153,751	85,179	15,628	(55,399)	(133,469)
	110,000	279,007	211,628	143,751	75,179	5,628	(65,399)	(143,469)
	120,000	269,007	201,628	133,751	65,179	(4,372)	(75,399)	(153,469)
	130,000	259,007	191,628	123,751	55,179	(14,372)	(85,399)	(163,469)
	140,000	249,007	181,628	113,751	45,179	(24,372)	(95,399)	(173,469)
	150,000	239,007	171,628	103,751	35,179	(34,372)	(105,399)	(183,469)
	160,000	229,007	161,628	93,751	25,179	(44,372)	(115,399)	(193,469)
	170,000	219,007	151,628	83,751	15,179	(54,372)	(125,399)	(203,469)
	180,000	209,007	141,628	73,751	5,179	(64,372)	(135,399)	(213,469)
	190,000	199,007	131,628	63,751	(4,821)	(74,372)	(145,399)	(223,469)
	200,000	189,007	121,628	53,751	(14,821)	(84,372)	(155,399)	(233,469)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
Density (dph) 45.00	15	(46,962)	(70,529)	(94,556)	(119,239)	(146,516)	(178,019)	(212,761)
	18	(21,417)	(48,565)	(76,151)	(104,358)	(133,487)	(168,679)	(206,937)
	20	3,926	(26,833)	(58,020)	(89,813)	(122,495)	(160,009)	(202,111)
	23	29,143	(5,247)	(40,065)	(75,479)	(111,768)	(151,748)	(197,877)
	25	54,274	16,239	(22,224)	(61,286)	(101,217)	(143,753)	(194,020)
	28	79,344	37,654	(4,466)	(47,191)	(90,787)	(135,941)	(190,420)
	30	104,367	59,021	13,231	(33,167)	(80,445)	(129,063)	(187,004)
	33	129,357	80,345	30,884	(19,196)	(70,169)	(122,498)	(183,722)
	35	154,322	101,640	48,502	(5,268)	(59,946)	(115,995)	(180,541)
	38	179,265	122,913	66,092	8,628	(49,759)	(109,542)	(177,441)
	40	204,195	144,167	83,661	22,498	(39,606)	(103,132)	(174,402)
	43	229,105	165,405	101,213	36,347	(29,479)	(96,752)	(171,417)
	45	254,007	186,628	118,751	50,179	(19,372)	(90,399)	(168,469)
	48	278,900	207,845	136,272	63,999	(9,282)	(84,069)	(165,559)
	50	303,785	229,047	153,787	77,802	792	(77,758)	(162,676)
	53	328,662	250,248	171,290	91,597	10,852	(71,462)	(159,817)

250911_Isle of Wight Residential Appraisal_G_L_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Lower

No Units: **1200**

Greenfield/Brownfield:

Mixed (GF/BF)

Lower Quartile BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
Build Cost (105% = 5% increase)	80%	792,039	721,585	651,021	580,314	509,432	438,317	366,907
	85%	658,407	588,887	519,205	449,325	379,188	308,713	237,784
	90%	524,306	455,634	386,740	317,554	247,988	177,900	107,082
	95%	389,578	321,645	253,380	184,682	115,388	45,247	(26,142)
	100%	254,007	186,628	118,751	50,179	(19,372)	(90,399)	(168,469)
	105%	117,247	50,126	(17,799)	(86,884)	(161,461)	(246,694)	(337,939)
	110%	(21,263)	(88,649)	(161,104)	(243,087)	(329,193)	(423,024)	(534,322)
	115%	(166,980)	(246,364)	(328,810)	(416,501)	(514,445)	(637,552)	(818,158)
	120%	(335,619)	(419,075)	(509,398)	(613,935)	(757,583)	(969,089)	(1,370,882)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(168,469)	75%	80%	85%	90%	95%	100%	105%
Market Values (105% = 5% increase)	80%	20,320	(116,536)	(283,374)	(487,622)	(840,764)	(1,442,095)	(2,043,425)
	85%	141,320	8,721	(128,345)	(297,007)	(498,882)	(822,961)	(1,424,292)
	90%	260,257	129,925	(2,890)	(141,148)	(310,645)	(510,454)	(805,215)
	95%	377,993	249,031	118,513	(14,512)	(154,808)	(324,291)	(522,283)
	100%	494,972	366,907	237,784	107,082	(26,142)	(168,469)	(337,939)
	105%	611,443	483,998	355,798	226,518	95,637	(37,784)	(182,137)
	110%	727,552	600,564	473,004	344,668	215,236	84,179	(49,435)
	115%	843,400	716,755	589,663	461,993	333,521	203,937	72,709
	120%	959,048	832,666	705,933	578,744	450,957	322,358	192,624

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(168,469)	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £ per dwelling	£0	254,007	186,628	118,751	50,179	(19,372)	(90,399)	(168,469)
	£2,000	217,021	149,426	81,258	12,294	(57,824)	(129,713)	(215,565)
	£4,000	179,942	112,102	43,610	(25,812)	(96,599)	(175,105)	(263,662)
	£6,000	142,756	74,642	5,772	(64,178)	(136,057)	(221,845)	(313,039)
	£8,000	105,451	37,024	(32,272)	(102,842)	(181,854)	(269,466)	(364,103)
	£10,000	68,015	(764)	(70,560)	(143,114)	(228,287)	(318,201)	(417,447)
	£12,000	30,435	(38,751)	(109,124)	(188,702)	(275,505)	(368,366)	(474,003)
	£14,000	(7,314)	(76,967)	(150,230)	(234,868)	(323,695)	(420,430)	(535,301)
	£16,000	(45,249)	(115,443)	(195,636)	(281,735)	(373,120)	(475,080)	(604,111)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_G_L_v1 - Summary Table

Appraisal Ref:	G	H	I	J	K	L
No Units:	100	100	200	200	500	1200
Location / Value Zone:	Lower	Lower	Lower	Lower	Lower	Lower
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield	Greenfield	Mixed (GF/BF)
Notes/Comments:	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH
Total GDV (£)	23,391,400	23,391,400	46,582,880	46,582,880	116,457,200	279,497,280
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.39%	17.39%	17.44%	17.44%	17.44%	17.44%
Developers Profit (% on costs)	21.74%	21.09%	21.66%	20.73%	21.82%	20.92%
Developers Profit Total (£)	4,067,054	4,067,054	8,122,113	8,122,113	20,305,282	48,732,677
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	76,664	7,353	59,921	(50,384)	76,606	(33,469)
RLV (£/ha (net))	189,437	18,170	148,065	(124,498)	189,294	(82,703)
RLV (% of GDV)	2.31%	0.17%	1.82%	-1.53%	2.32%	-0.79%
RLV Total (£)	541,248	40,378	846,085	(711,418)	2,704,198	(2,205,403)
BLV (£/acre (net))	145,000	135,000	145,000	135,000	145,000	135,000
BLV (£/ha (net))	358,295	333,585	358,295	333,585	358,295	333,585
BLV Total (£)	1,023,700	741,300	2,047,400	1,906,200	5,118,500	8,895,600
Surplus/Deficit (£/acre) [RLV-BLV]	(68,336)	(127,647)	(85,079)	(185,384)	(68,394)	(168,469)
Surplus/Deficit (£/ha)	(168,858)	(315,415)	(210,230)	(458,083)	(169,001)	(416,288)
Surplus/Deficit Total (£)	(482,452)	(700,922)	(1,201,315)	(2,617,618)	(2,414,302)	(11,101,003)
Viability	Marginal	Marginal	Marginal	Not Viable	Marginal	Not Viable

250911_Isle of Wight Residential Appraisal_M_R_v1 - Version Notes

Date	Version	Comments	Updated by who
250911	v1	For Issue	AS

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **M** (see Typologies Matrix)
 Scheme Typology: **M**
 Site Typology: **Higher** No Units: **10**
 Notes/Comments: **Median BCIS : 35% AH - Adjacent to Rural Service Centre** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			10 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% Affordable Rent: Social Rent: 0.0% First Homes: 0.0% Other Intermediate (LCHO/Sub-Market etc.): 20.0%						
			80.0% % Rented 7.0% % of total (>10% First Homes PPG 023)						
			100% 100.0%						
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	0.3	40.0%	1.1	20.0%	0.1	16%	1.6	
2 bed House	30.0%	2.0	30.0%	0.8	40.0%	0.3	31%	3.1	
3 bed House	40.0%	2.6	25.0%	0.7	30.0%	0.2	35%	3.5	
4 bed House	20.0%	1.3	5.0%	0.1	5.0%	0.0	15%	1.5	
5 bed House	5.0%	0.3	0.0%	0.0	5.0%	0.0	4%	0.4	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	6.5		2.8	100%	0.7	100%	10.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	55.0	592					55.0	592	
2 bed House	78.0	840					78.0	840	
3 bed House	97.0	1,044			0.0		97.0	1,044	
4 bed House	128.0	1,378			0.0		128.0	1,378	
5 bed House	160.0	1,722			0.0		160.0	1,722	
1 bed Flat	55.0	592		85.0%			64.7	696	
2 bed Flat	70.0	753		85.0%			82.4	886	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	55.0	592					55.0	592	
2 bed House	78.0	840					78.0	840	
3 bed House	97.0	1,044			0.0		97.0	1,044	
4 bed House	128.0	1,378			0.0		128.0	1,378	
5 bed House	160.0	1,722			0.0		160.0	1,722	
1 bed Flat	55.0	592		85.0%			64.7	696	
2 bed Flat	70.0	753		85.0%			82.4	886	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)		Total GIA (all units) (sqm)	(sqft)	
1 bed House	18	192		69	746		87	938	
2 bed House	152	1,637		87	940		239	2,578	
3 bed House	252	2,715		88	950		340	3,665	
4 bed House	166	1,791		22	241		189	2,032	
5 bed House	52	560		6	60		58	620	
1 bed Flat	0	0		0	0		0	0	
2 bed Flat	0	0		0	0		0	0	
3 bed Flat	0	0		0	0		0	0	
	641	6,895		273	2,938		914	9,833	
AH % by floor area: 29.88% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	190,000	3,455	321	3,455	321		301,150		
2 bed House	275,000	3,526	328	3,526	328		844,250		
3 bed House	400,000	4,124	383	4,124	383		1,404,000		
4 bed House	550,000	4,297	399	4,297	399		811,250		
5 bed House	625,000	3,906	363	3,906	363		225,000		
1 bed Flat	190,000	3,455	321	2,936	273		0		
2 bed Flat	242,000	3,457	321	2,939	273		0		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							3,585,650		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed House	151,250	55%	0	0%	0	0%	165,000	60%	
3 bed House	220,000	55%	0	0%	0	0%	240,000	60%	
4 bed House	302,500	55%	0	0%	0	0%	330,000	60%	
5 bed House	343,750	55%	0	0%	0	0%	375,000	60%	
1 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

* capped @£250K

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 10

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.3	@	190,000	61,750
2 bed House	2.0	@	275,000	536,250
3 bed House	2.6	@	400,000	1,040,000
4 bed House	1.3	@	550,000	715,000
5 bed House	0.3	@	625,000	203,125
1 bed Flat	0.0	@	190,000	-
2 bed Flat	0.0	@	242,000	-
3 bed Flat	0.0	@	0	-
	6.5			2,556,125
Affordable Rent GDV -				
1 bed House	1.1	@	104,500	117,040
2 bed House	0.8	@	151,250	127,050
3 bed House	0.7	@	220,000	154,000
4 bed House	0.1	@	302,500	42,350
5 bed House	0.0	@	343,750	-
1 bed Flat	0.0	@	104,500	-
2 bed Flat	0.0	@	133,100	-
3 bed Flat	0.0	@	0	-
	2.8			440,440
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.1	@	114,000	15,960
2 bed House	0.3	@	165,000	46,200
3 bed House	0.2	@	240,000	50,400
4 bed House	0.0	@	330,000	11,550
5 bed House	0.0	@	375,000	13,125
1 bed Flat	0.0	@	114,000	-
2 bed Flat	0.0	@	145,200	-
3 bed Flat	0.0	@	0	-
	0.7	3.5		137,235
Sub-total GDV Residential				3,133,800
AH on-site cost analysis:				
495 £ psm (total GIA sqm)				£MV (no AH) less £GDV (inc. AH) 451,850
				45,185 £ per unit (total units)
Grant				
	4	AH units @	0 per unit	-
Total GDV				3,133,800

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **10**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	6,350 £	(6,350)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	25,400 £	(25,400)
CIL (Mkrt only inc. garages)	Max	641 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		10 units @	6,600 per unit		(66,000)
S106 analysis:		165,000 £ per ha	2.11% % of GDV	6,600 £ per unit (total units)	
AH Commuted Sum		914 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		0.40 ha @	0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	10 units @	6,600 per unit		(66,000)
Sub-total					(66,000)
Infra. Costs analysis:		165,000 £ per ha	2.11% % of GDV	6,600 £ per unit (total units)	
1 bed House		87 sqm @	1,797 psm		(156,653)
2 bed House		239 sqm @	1,797 psm		(430,310)
3 bed House (EXC. garage)		340 sqm @	1,797 psm		(611,825)
4 bed House (EXC. garage)		189 sqm @	1,797 psm		(339,274)
5 bed House (EXC. garage)		58 sqm @	1,797 psm		(103,507)
1 bed Flat		- sqm @	2,029 psm		-
2 bed Flat		- sqm @	2,029 psm		-
3 bed Flat		- sqm @	2,029 psm		-
Garages for 3B House	3.5	0 sqm @	500 psm		-
Garages for 4B House	1.5	0 sqm @	500 psm		-
Garages for 5B House	0.4	0 sqm @	500 psm		-
Total GIA check:		914 £ per garage	£0		
External works		1,641,568 @	10.0%		(164,157)
Ext. Works analysis:			16,416 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		10 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	6.5 units @	10%	10,000 £ per unit	(6,500)
M4(3) Category 3 Housing	Aff units	3.5 units @	30%	10,000 £ per unit	(10,500)
Part L/FHS - Houses		10 units @		5,000 £ per unit	(50,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			3.0% % of BCIS costs		
Water Efficiency		10 units @	9 £ per unit		(90)
Carbon / Energy Reduction		10 units @	0 £ per unit		-
Sub-total					(77,991)
Policy Costs analysis: (design costs only)			7,799 £ per unit (total units)		
			4.8% % of BCIS costs		
Contingency (on construction)		1,949,716 @	3.0%		(58,491)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **10**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

Professional Fees	1,949,716 @	8.0%		(155,977)
Disposal Costs -				
OMS Marketing and Promotion	2,556,125 OMS @	1.50%	3,834 £ per unit	(38,342)
Residential Sales Agent Costs	2,556,125 OMS @	1.50%	3,834 £ per unit	(38,342)
Residential Sales Legal Costs	2,556,125 OMS @	0.50%	1,278 £ per unit	(12,781)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			9,946 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(39,299)
Developers Profit -				
Profit on OMS	2,556,125	20.00%		(511,225)
Margin on AH	577,675	6.00% on AH values		(34,661)
Profit analysis:	3,133,800	17.42% blended GDV	(545,886)	
	2,400,699	22.74% on costs	(545,886)	
TOTAL COSTS				(2,946,584)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				187,216
SDLT	187,216 @	HMRC formula		(744)
Acquisition Agent fees	187,216 @	1.0%		(1,872)
Acquisition Legal fees	187,216 @	0.5%		(936)
Interest on Land	187,216 @	7.00%		(13,105)
Residual Land Value				170,558
RLV analysis:	17,056 £ per plot	426,395 £ per ha (net)	172,560 £ per acre (net)	
		426,395 £ per ha (gross)	172,560 £ per acre (gross)	
			5.44% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	25.0 dph (net)			
Site Area (net)	0.40 ha (net)	0.99 acres (net)		
Net to Gross ratio	100%			
Site Area (gross)	0.40 ha (gross)	0.99 acres (gross)		
Density analysis:	2,284 sqm/ha (net)	9,948 sqft/ac (net)		
	25 dph (gross)			
Benchmark Land Value (net)	12,355 £ per plot	308,875 £ per ha (net)	125,000 £ per acre (net)	123,550
BLV analysis:		308,875 £ per ha (gross)	125,000 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)	117,520 £ per ha (net)	47,560 £ per acre (net)		47,008

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **10**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH - Adjacent to Rural Service Centre

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

TABLE 1		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	47,560	15%	20%	25%	30%	35%	40%	45%	
Site Specific S106 Contributions £6,600	£0	297,577	252,060	206,544	161,027	115,510	68,798	21,392	
	£1,000	287,582	242,065	196,548	151,031	105,514	58,397	10,928	
	£2,000	277,586	232,070	186,553	141,036	95,211	47,997	295	
	£3,000	267,591	222,074	176,557	131,041	84,869	37,596	(10,338)	
	£4,000	257,596	212,079	166,562	121,045	74,527	27,196	(20,971)	
	£5,000	247,600	202,083	156,567	111,050	64,185	16,795	(31,604)	
	£6,000	237,605	192,088	146,571	100,938	53,800	6,228	(42,237)	
	£7,000	227,610	182,093	136,576	90,596	43,400	(4,405)	(52,870)	
	£8,000	217,614	172,097	126,580	80,254	32,999	(15,038)	(63,503)	
	£9,000	207,619	162,102	116,585	69,912	22,599	(25,671)	(74,136)	
	£10,000	197,623	152,107	106,590	59,570	12,161	(36,304)	(84,769)	
	£11,000	187,628	142,111	96,323	49,203	1,528	(46,937)	(95,402)	
	£12,000	177,633	132,116	85,981	38,803	(9,105)	(57,570)	(106,035)	
	£13,000	167,637	122,120	75,639	28,402	(19,738)	(68,203)	(116,668)	
	£14,000	157,642	112,125	65,297	18,002	(30,371)	(78,836)	(127,514)	
	£15,000	147,646	102,050	54,955	7,461	(41,004)	(89,469)	(139,135)	
	£16,000	137,651	91,708	44,606	(3,172)	(51,637)	(100,102)	(150,756)	
	£17,000	127,656	81,366	34,206	(13,805)	(62,270)	(110,734)	(162,376)	
	£18,000	117,660	71,024	23,805	(24,438)	(72,903)	(121,367)	(173,997)	
	£19,000	107,665	60,682	13,394	(35,071)	(83,535)	(132,651)	(185,618)	
	£20,000	97,436	50,340	2,761	(45,704)	(94,168)	(144,271)	(197,238)	
	£21,000	87,094	39,998	(7,872)	(56,336)	(104,801)	(155,892)	(208,859)	
	£22,000	76,752	29,608	(18,505)	(66,969)	(115,434)	(167,513)	(220,480)	
	£23,000	66,410	19,208	(29,137)	(77,602)	(126,166)	(179,133)	(232,100)	
	£24,000	56,067	8,694	(39,770)	(88,235)	(137,787)	(190,754)	(243,721)	
	£25,000	45,725	(1,938)	(50,403)	(98,868)	(149,408)	(202,375)	(255,342)	

TABLE 2

TABLE 2		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))		47,560	15%	20%	25%	30%	35%	40%	45%
Profit 20%		15%	377,873	323,752	269,632	215,511	161,315	106,895	50,673
		16%	348,620	296,220	243,820	191,420	138,945	85,616	31,089
		17%	319,367	268,688	218,009	167,329	116,575	64,250	11,451
		18%	290,114	241,155	192,197	143,239	93,852	42,885	(8,572)
		19%	260,861	213,623	166,385	119,148	70,706	21,520	(28,594)
		20%	231,608	186,091	140,574	94,733	47,560	(152)	(48,617)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **10**
 Location / Value Zone: **Higher** Greenfield/Brownfield: **Greenfield**
 Median BCIS : 35% AH - Adjacent to Rural Service Centre

TABLE 3		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	47,560	15%	20%	25%	30%	35%	40%	45%
BLV (£ per acre)	50,000	306,608	261,091	215,574	169,733	122,560	74,848	26,383
	60,000	296,608	251,091	205,574	159,733	112,560	64,848	16,383
	70,000	286,608	241,091	195,574	149,733	102,560	54,848	6,383
	80,000	276,608	231,091	185,574	139,733	92,560	44,848	(3,617)
	90,000	266,608	221,091	175,574	129,733	82,560	34,848	(13,617)
	100,000	256,608	211,091	165,574	119,733	72,560	24,848	(23,617)
	110,000	246,608	201,091	155,574	109,733	62,560	14,848	(33,617)
	120,000	236,608	191,091	145,574	99,733	52,560	4,848	(43,617)
	130,000	226,608	181,091	135,574	89,733	42,560	(5,152)	(53,617)
	140,000	216,608	171,091	125,574	79,733	32,560	(15,152)	(63,617)
	150,000	206,608	161,091	115,574	69,733	22,560	(25,152)	(73,617)
	160,000	196,608	151,091	105,574	59,733	12,560	(35,152)	(83,617)
	170,000	186,608	141,091	95,574	49,733	2,560	(45,152)	(93,617)
	180,000	176,608	131,091	85,574	39,733	(7,440)	(55,152)	(103,617)
	190,000	166,608	121,091	75,574	29,733	(17,440)	(65,152)	(113,617)
	200,000	156,608	111,091	65,574	19,733	(27,440)	(75,152)	(123,617)
TABLE 4		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	47,560	15%	20%	25%	30%	35%	40%	45%
Density (dph)	15	88,965	61,654	34,344	6,840	(21,464)	(50,091)	(79,170)
	18	124,625	92,764	60,902	28,813	(4,208)	(37,606)	(71,532)
	20	160,286	123,873	87,459	50,786	13,048	(25,122)	(63,893)
	23	195,947	154,982	114,017	72,759	30,304	(12,637)	(56,255)
	25	231,608	186,091	140,574	94,733	47,560	(152)	(48,617)
	28	267,268	217,200	167,131	116,706	64,816	12,333	(40,978)
	30	302,929	248,309	193,689	138,679	82,072	24,818	(33,340)
	33	338,590	279,418	220,246	160,653	99,328	37,303	(25,702)
	35	374,251	310,527	246,804	182,626	116,584	49,787	(18,063)
	38	409,911	341,636	273,361	204,599	133,840	62,272	(10,425)
	40	445,572	372,745	299,918	226,572	151,096	74,757	(2,787)
	43	481,233	403,854	326,476	248,546	168,352	87,242	4,851
	45	516,894	434,963	353,033	270,519	185,608	99,727	12,490
	48	552,555	466,073	379,591	292,492	202,864	112,211	20,128
	50	588,215	497,182	406,148	314,465	220,120	124,696	27,766
	53	623,876	528,291	432,705	336,439	237,376	137,181	35,405

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **10**
 Location / Value Zone: **Higher** Greenfield/Brownfield: **Greenfield**
 Median BCIS : 35% AH - Adjacent to Rural Service Centre

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	47,560	5%	10%	15%	20%	25%	30%	35%
Build Cost 100% (105% = 5% increase)	80%	707,374	658,037	608,701	559,365	510,028	460,692	411,355
	85%	611,329	563,006	514,682	466,359	418,035	369,540	320,967
	90%	515,285	467,974	420,664	373,154	325,600	278,046	230,492
	95%	419,229	372,693	326,158	279,622	233,087	186,551	140,016
	100%	322,641	277,124	231,608	186,091	140,574	94,733	47,560
	105%	226,054	181,556	137,057	92,148	46,107	(552)	(47,934)
	110%	129,466	85,348	40,360	(5,287)	(51,585)	(97,883)	(145,962)
	115%	30,398	(14,357)	(59,571)	(104,785)	(152,321)	(201,735)	(251,150)
	120%	(71,891)	(116,022)	(163,418)	(211,647)	(259,877)	(308,107)	(356,626)
TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	47,560	75%	80%	85%	90%	95%	100%	105%
Market Values 100% (105% = 5% increase)	80%	154,989	63,129	(31,909)	(128,449)	(233,636)	(339,260)	(445,043)
	85%	241,721	151,246	59,256	(35,915)	(132,827)	(238,014)	(343,602)
	90%	328,454	237,978	147,502	55,383	(39,921)	(137,205)	(242,393)
	95%	414,979	324,711	234,235	143,759	51,479	(43,927)	(141,584)
	100%	501,322	411,355	320,967	230,492	140,016	47,560	(47,934)
	105%	587,666	497,699	407,700	317,224	226,748	136,273	43,641
	110%	674,009	584,042	494,075	403,957	313,481	223,005	132,530
	115%	760,352	670,386	580,419	490,452	400,213	309,738	219,262
	120%	846,682	756,729	666,762	576,795	486,828	396,470	305,994
TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	47,560	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £0.00 £ per dwelling	£0	322,641	277,124	231,608	186,091	140,574	94,733	47,560
	£2,000	302,599	257,083	211,566	166,049	120,532	73,996	26,706
	£4,000	282,557	237,041	191,524	146,007	100,354	53,257	5,672
	£6,000	262,515	216,999	171,482	125,965	79,617	32,402	(15,648)
	£8,000	242,473	196,957	151,440	105,923	58,880	11,497	(36,968)
	£10,000	222,432	176,915	131,398	85,238	38,099	(9,824)	(58,289)
	£12,000	202,390	156,873	111,356	64,501	17,245	(31,144)	(79,609)
	£14,000	182,348	136,831	90,860	43,764	(4,000)	(52,464)	(100,929)
	£16,000	162,306	116,789	70,123	22,942	(25,320)	(73,785)	(122,250)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **N** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **20**
 Notes/Comments: **Median BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				20 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		7.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	0.7	40.0%	2.2	20.0%	0.3	16%	3.2	
2 bed House	30.0%	3.9	30.0%	1.7	40.0%	0.6	31%	6.1	
3 bed House	40.0%	5.2	25.0%	1.4	30.0%	0.4	35%	7.0	
4 bed House	20.0%	2.6	5.0%	0.3	5.0%	0.1	15%	3.0	
5 bed House	5.0%	0.7	0.0%	0.0	5.0%	0.1	4%	0.7	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	13.0		5.6	100%	1.4	100%	20.0	
OMS Floor areas, per Unit -									
	Net area per unit			Net to Gross %	Garage area	Gross (GIA) per unit			
	(sqm)	(sqft)		%	(sqm)	(sqm)			
1 bed House	55.0	592				55.0			
2 bed House	78.0	840				78.0			
3 bed House	97.0	1,044			0.0	97.0			
4 bed House	128.0	1,378			0.0	128.0			
5 bed House	160.0	1,722			0.0	160.0			
1 bed Flat	55.0	592		85.0%		64.7			
2 bed Flat	70.0	753		85.0%		82.4			
3 bed Flat	0.0	0		85.0%		0.0			
AH Floor areas, per Unit -									
	Net area per unit			Net to Gross %	Garage area	Gross (GIA) per unit			
	(sqm)	(sqft)		%	(sqm)	(sqm)			
1 bed House	55.0	592				55.0			
2 bed House	78.0	840				78.0			
3 bed House	97.0	1,044			0.0	97.0			
4 bed House	128.0	1,378			0.0	128.0			
5 bed House	160.0	1,722			0.0	160.0			
1 bed Flat	55.0	592		85.0%		64.7			
2 bed Flat	70.0	753		85.0%		82.4			
3 bed Flat	0.0	0		85.0%		0.0			
Total Gross Overall Floor areas -									
	OMS Units GIA			AH units GIA	Total GIA (all units)				
	(sqm)	(sqft)		(sqm)	(sqft)	(sqm)			
1 bed House	36	385		139	1,492	174			
2 bed House	304	3,274		175	1,881	479			
3 bed House	504	5,429		177	1,900	681			
4 bed House	333	3,582		45	482	378			
5 bed House	104	1,119		11	121	115			
1 bed Flat	0	0		0	0	0			
2 bed Flat	0	0		0	0	0			
3 bed Flat	0	0		0	0	0			
	1,281	13,790		546	5,876	1,827			
AH % by floor area:		29.88% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	190,000	3,455	321	3,455	321	602,300			
2 bed House	275,000	3,526	328	3,526	328	1,688,500			
3 bed House	400,000	4,124	383	4,124	383	2,808,000			
4 bed House	550,000	4,297	399	4,297	399	1,622,500			
5 bed House	625,000	3,906	363	3,906	363	450,000			
1 bed Flat	190,000	3,455	321	2,936	273	0			
2 bed Flat	242,000	3,457	321	2,939	273	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						7,171,300			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed House	151,250	55%	0	0%	0	0%	165,000	60%	
3 bed House	220,000	55%	0	0%	0	0%	240,000	60%	
4 bed House	302,500	55%	0	0%	0	0%	330,000	60%	
5 bed House	343,750	55%	0	0%	0	0%	375,000	60%	
1 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.7	@	190,000	123,500
2 bed House	3.9	@	275,000	1,072,500
3 bed House	5.2	@	400,000	2,080,000
4 bed House	2.6	@	550,000	1,430,000
5 bed House	0.7	@	625,000	406,250
1 bed Flat	0.0	@	190,000	-
2 bed Flat	0.0	@	242,000	-
3 bed Flat	0.0	@	0	-
	13.0			5,112,250
Affordable Rent GDV -				
1 bed House	2.2	@	104,500	234,080
2 bed House	1.7	@	151,250	254,100
3 bed House	1.4	@	220,000	308,000
4 bed House	0.3	@	302,500	84,700
5 bed House	0.0	@	343,750	-
1 bed Flat	0.0	@	104,500	-
2 bed Flat	0.0	@	133,100	-
3 bed Flat	0.0	@	0	-
	5.6			880,880
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.3	@	114,000	31,920
2 bed House	0.6	@	165,000	92,400
3 bed House	0.4	@	240,000	100,800
4 bed House	0.1	@	330,000	23,100
5 bed House	0.1	@	375,000	26,250
1 bed Flat	0.0	@	114,000	-
2 bed Flat	0.0	@	145,200	-
3 bed Flat	0.0	@	0	-
	1.4	7.0		274,470
Sub-total GDV Residential	20			6,267,600
AH on-site cost analysis:		£MV (no AH) less £GDV (inc. AH)		
		495 £ psm (total GIA sqm)		
		45,185 £ per unit (total units)		
Grant	7	AH units @	0	per unit
Total GDV				6,267,600

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **20**

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	12,700 £	(12,700)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	50,800 £	(50,800)
CIL (Mkrt only inc. garages)	Max	1,281 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		20 units @		6,600 per unit		(132,000)
S106 analysis:		2.11% % of GDV		6,600 £ per unit (total units)		(132,000)
Sub-total						
AH Commuted Sum		1,827 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		0.50 ha @		110,000 £ per ha (if brownfield)		(55,000)
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15	20 units @		6,600 per unit		(132,000)
Infra. Costs analysis:		2.11% % of GDV		6,600 £ per unit (total units)		(132,000)
Sub-total						
1 bed House		174 sqm @		1,797 psm		(313,307)
2 bed House		479 sqm @		1,797 psm		(860,619)
3 bed House (EXC. garage)		681 sqm @		1,797 psm		(1,223,649)
4 bed House (EXC. garage)		378 sqm @		1,797 psm		(678,547)
5 bed House (EXC. garage)		115 sqm @		1,797 psm		(207,014)
1 bed Flat		- sqm @		2,029 psm		-
2 bed Flat		- sqm @		2,029 psm		-
3 bed Flat		- sqm @		2,029 psm		-
Garages for 3B House	7.0	-	0 sqm @	500 psm		-
Garages for 4B House	3.0	-	0 sqm @	500 psm		-
Garages for 5B House	0.7	-	0 sqm @	500 psm		-
Total GIA check:		1,827 £ per garage		£0		
External works		3,283,137 @		10.0%		(328,314)
Ext. Works analysis:				16,416 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		20 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	13.0 units @	10%	10,000 £ per unit		(5,740)
M4(3) Category 3 Housing	Aff units	7.0 units @	30%	10,000 £ per unit		(13,000)
Part L/FHS - Houses		20 units @		5,000 £ per unit		(100,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.0% % of BCIS costs		
Water Efficiency		20 units @		9 £ per unit		(180)
Carbon / Energy Reduction		20 units @		0 £ per unit		-
Sub-total						(140,711)
Policy Costs analysis: (design costs only)				7,036 £ per unit (total units)		
				4.3% % of BCIS costs		
Contingency (on construction)		3,939,162 @		5.0%		(196,958)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **20**

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

Professional Fees	3,939,162	@	8.0%		(315,133)
Disposal Costs -					
OMS Marketing and Promotion	5,112,250	OMS @	1.50%	3,834 £ per unit	(76,684)
Residential Sales Agent Costs	5,112,250	OMS @	1.50%	3,834 £ per unit	(76,684)
Residential Sales Legal Costs	5,112,250	OMS @	0.50%	1,278 £ per unit	(25,561)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				9,446 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(47,886)
Developers Profit -					
Profit on OMS	5,112,250		20.00%		(1,022,450)
Margin on AH	1,155,350		6.00%	on AH values	(69,321)
Profit analysis:	6,267,600			17.42% blended GDV	(1,091,771)
	4,883,567			22.36% on costs	(1,091,771)
TOTAL COSTS					(5,975,338)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					292,262
SDLT	292,262	@	HMRC formula		(4,113)
Acquisition Agent fees	292,262	@	1.0%		(2,923)
Acquisition Legal fees	292,262	@	0.5%		(1,461)
Interest on Land	292,262	@	7.00%		(20,458)
Residual Land Value					263,306
RLV analysis:	13,165 £ per plot				
		526,613 £ per ha (net)		213,117 £ per acre (net)	
		421,290 £ per ha (gross)		170,494 £ per acre (gross)	
				4.20% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	40.0	dph (net)			
Site Area (net)	0.50	ha (net)	1.24	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.63	ha (gross)	1.54	acres (gross)	
Density analysis:	3,654	sqm/ha (net)	15,917	sqft/ac (net)	
	32	dph (gross)			
Benchmark Land Value (net)	9,266 £ per plot	370,650 £ per ha (net)	150,000	£ per acre (net)	185,325
BLV analysis:		296,520 £ per ha (gross)	120,000	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		155,963 £ per ha (net)	63,117 £ per acre (net)		77,981

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	63,117	15%	20%	25%	30%	35%	40%	45%
£0		461,973	389,597	316,963	244,220	171,062	97,557	23,588
£1,000		445,848	373,472	300,764	227,936	154,779	81,182	6,645
Site Specific S106 Contributions		429,724	357,302	284,564	211,653	138,443	64,807	(10,298)
£6,600		413,599	341,102	268,365	195,370	122,068	48,432	(27,241)
		397,475	324,902	252,165	179,087	105,693	32,006	(44,302)
		381,350	308,703	235,961	162,804	89,317	15,062	(61,624)
		365,226	292,503	219,678	146,521	72,942	(1,881)	(78,946)
		349,041	276,304	203,395	130,203	56,567	(18,824)	(96,267)
		332,842	260,104	187,112	113,828	40,192	(35,767)	(113,589)
		316,642	243,905	170,829	97,453	23,480	(53,018)	(130,911)
		300,442	227,703	154,546	81,078	6,537	(70,340)	(148,232)
		284,243	211,420	138,263	64,703	(10,406)	(87,662)	(166,999)
		268,043	195,137	121,963	48,327	(27,349)	(104,983)	(186,017)
		251,844	178,854	105,588	31,898	(44,412)	(122,305)	(205,054)
		235,644	162,571	89,213	14,955	(61,734)	(139,627)	(224,092)
		219,445	146,288	72,838	(1,989)	(79,056)	(157,594)	(243,130)
		203,162	130,005	56,463	(18,932)	(96,378)	(176,525)	(262,168)
		186,879	113,722	40,088	(35,875)	(113,699)	(195,455)	(281,206)
		170,596	97,349	23,372	(53,128)	(131,021)	(214,477)	(300,244)
		154,313	80,973	6,429	(70,450)	(148,343)	(233,515)	(319,282)
		138,030	64,598	(10,514)	(87,772)	(167,119)	(252,553)	(338,319)
		121,747	48,223	(27,457)	(105,094)	(186,050)	(271,591)	(357,357)
		105,464	31,790	(44,523)	(122,415)	(204,981)	(290,628)	(376,395)
		89,109	14,847	(61,845)	(139,737)	(223,912)	(309,666)	(395,433)
		72,734	(2,096)	(79,166)	(157,714)	(242,937)	(328,704)	(414,471)
		56,359	(19,039)	(96,488)	(176,645)	(261,975)	(347,742)	(433,509)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	63,117	15%	20%	25%	30%	35%	40%	45%
15%		589,545	503,042	416,401	329,477	242,077	154,675	67,273
16%		542,740	458,990	375,102	290,932	206,285	121,636	36,987
Profit		495,936	414,939	333,804	252,387	170,493	88,597	5,771
20%		449,131	370,887	292,505	213,842	134,701	55,559	(25,565)
		402,326	326,835	251,207	175,296	98,909	22,138	(57,302)
		355,521	282,784	209,908	136,751	63,117	(12,046)	(89,339)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	63,117	15%	20%	25%	30%	35%	40%	45%
	50,000	455,521	382,784	309,908	236,751	163,117	87,954	10,661
	60,000	445,521	372,784	299,908	226,751	153,117	77,954	661
BLV (£ per acre)	70,000	435,521	362,784	289,908	216,751	143,117	67,954	(9,339)
150,000	80,000	425,521	352,784	279,908	206,751	133,117	57,954	(19,339)
	90,000	415,521	342,784	269,908	196,751	123,117	47,954	(29,339)
	100,000	405,521	332,784	259,908	186,751	113,117	37,954	(39,339)
	110,000	395,521	322,784	249,908	176,751	103,117	27,954	(49,339)
	120,000	385,521	312,784	239,908	166,751	93,117	17,954	(59,339)
	130,000	375,521	302,784	229,908	156,751	83,117	7,954	(69,339)
	140,000	365,521	292,784	219,908	146,751	73,117	(2,046)	(79,339)
	150,000	355,521	282,784	209,908	136,751	63,117	(12,046)	(89,339)
	160,000	345,521	272,784	199,908	126,751	53,117	(22,046)	(99,339)
	170,000	335,521	262,784	189,908	116,751	43,117	(32,046)	(109,339)
	180,000	325,521	252,784	179,908	106,751	33,117	(42,046)	(119,339)
	190,000	315,521	242,784	169,908	96,751	23,117	(52,046)	(129,339)
	200,000	305,521	232,784	159,908	86,751	13,117	(62,046)	(139,339)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	63,117	15%	20%	25%	30%	35%	40%	45%
	15	10,608	(16,725)	(44,159)	(71,757)	(100,002)	(129,025)	(159,007)
	18	45,099	13,254	(18,753)	(50,906)	(83,587)	(117,267)	(151,470)
Density (dph)	20	79,590	43,222	6,654	(30,055)	(67,173)	(105,509)	(144,455)
40.00	23	114,082	73,167	32,061	(9,204)	(50,758)	(93,751)	(137,566)
	25	148,573	103,112	57,468	11,647	(34,376)	(81,993)	(130,676)
	28	183,064	133,057	82,875	32,498	(18,127)	(70,310)	(123,787)
	30	217,556	163,003	108,281	53,349	(1,878)	(58,657)	(116,897)
	33	252,047	192,948	133,688	74,200	14,371	(47,004)	(110,007)
	35	286,538	222,893	159,095	95,051	30,620	(35,352)	(103,118)
	38	321,030	252,838	184,502	115,902	46,868	(23,699)	(96,228)
	40	355,521	282,784	209,908	136,751	63,117	(12,046)	(89,339)
	43	390,012	312,729	235,315	157,586	79,366	(394)	(82,449)
	45	424,504	342,674	260,722	178,420	95,615	11,259	(75,559)
	48	458,983	372,619	286,129	199,255	111,864	22,911	(68,670)
	50	493,460	402,565	311,536	220,089	128,112	34,564	(61,780)
	53	527,937	432,510	336,942	240,923	144,361	46,217	(54,890)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

20

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	Build Cost 100% (105% = 5% increase)	63,117	15%	20%	25%	30%	35%	40%	45%
		80%	962,924	884,579	806,233	727,887	649,273	570,657	491,884
		85%	811,641	734,901	657,920	580,940	503,847	426,542	349,062
		90%	660,024	584,679	509,237	433,576	357,818	281,780	205,412
		95%	508,056	434,037	359,971	285,583	210,979	136,031	60,726
		100%	355,521	282,784	209,908	136,751	63,117	(12,046)	(89,339)
		105%	202,200	130,703	58,833	(14,752)	(90,340)	(167,996)	(251,652)
		110%	47,875	(24,365)	(98,401)	(174,878)	(256,318)	(338,204)	(420,091)
		115%	(113,524)	(189,477)	(268,817)	(348,691)	(428,637)	(508,584)	(588,735)
		120%	(289,203)	(366,938)	(444,944)	(522,951)	(600,957)	(679,441)	(758,127)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)							
Balance (RLV - BLV £ per acre (n))	Market Values 100% (105% = 5% increase)	63,117	75%	80%	85%	90%	95%	100%	105%
		80%	240,765	93,387	(58,320)	(221,325)	(393,645)	(566,139)	(739,433)
		85%	379,768	233,373	85,819	(66,325)	(230,073)	(402,393)	(574,793)
		90%	518,287	372,483	225,952	78,252	(74,330)	(238,822)	(411,141)
		95%	656,437	511,124	365,199	218,466	70,685	(82,335)	(247,570)
		100%	794,305	649,273	503,847	357,818	210,979	63,117	(90,340)
		105%	932,039	787,275	642,109	496,562	350,426	203,492	55,550
		110%	1,069,630	925,010	780,246	634,945	489,277	343,034	196,006
		115%	1,207,033	1,062,744	917,980	773,095	627,782	481,992	335,641
		120%	1,344,435	1,200,151	1,055,715	910,951	765,931	620,618	474,708

TABLE 7		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	Carbon/Energy Reduction/FHS £0.00 £ per dwelling	63,117	5%	10%	15%	20%	25%	30%	35%
		£0	500,302	427,927	355,521	282,784	209,908	136,751	63,117
		£2,000	467,976	395,600	323,041	250,304	177,260	103,920	30,172
		£4,000	435,649	363,273	290,562	217,769	144,612	71,087	(3,800)
		£6,000	403,322	330,819	258,082	185,121	111,890	38,254	(37,772)
		£8,000	370,996	298,340	225,602	152,472	79,057	4,447	(72,477)
		£10,000	338,597	265,860	192,981	119,824	46,224	(29,525)	(107,208)
		£12,000	306,118	233,380	160,333	87,027	12,693	(64,046)	(141,939)
		£14,000	273,638	200,842	127,684	54,194	(21,279)	(98,777)	(179,147)
		£16,000	241,158	168,193	94,998	20,940	(55,615)	(133,508)	(217,104)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **O** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **25**
 Notes/Comments: Median BCIS : 35% AH Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				25 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		7.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	0.8	40.0%	2.8	20.0%	0.4	16%	4.0	
2 bed House	30.0%	4.9	30.0%	2.1	40.0%	0.7	31%	7.7	
3 bed House	40.0%	6.5	25.0%	1.8	30.0%	0.5	35%	8.8	
4 bed House	20.0%	3.3	5.0%	0.4	5.0%	0.1	15%	3.7	
5 bed House	5.0%	0.8	0.0%	0.0	5.0%	0.1	4%	0.9	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	16.3		7.0	100%	1.8	100%	25.0	
OMS Floor areas, per Unit -									
	Net area per unit			Net to Gross %	Garage area	Gross (GIA) per unit			
	(sqm)	(sqft)		%	(sqm)	(sqm)			
1 bed House	55.0	592				55.0			
2 bed House	78.0	840				78.0			
3 bed House	97.0	1,044			0.0	97.0			
4 bed House	128.0	1,378			0.0	128.0			
5 bed House	160.0	1,722			0.0	160.0			
1 bed Flat	55.0	592		85.0%		64.7			
2 bed Flat	70.0	753		85.0%		82.4			
3 bed Flat	0.0	0		85.0%		0.0			
AH Floor areas, per Unit -									
	Net area per unit			Net to Gross %	Garage area	Gross (GIA) per unit			
	(sqm)	(sqft)		%	(sqm)	(sqm)			
1 bed House	55.0	592				55.0			
2 bed House	78.0	840				78.0			
3 bed House	97.0	1,044			0.0	97.0			
4 bed House	128.0	1,378			0.0	128.0			
5 bed House	160.0	1,722			0.0	160.0			
1 bed Flat	55.0	592		85.0%		64.7			
2 bed Flat	70.0	753		85.0%		82.4			
3 bed Flat	0.0	0		85.0%		0.0			
Total Gross Overall Floor areas -									
	OMS Units GIA			AH units GIA		Total GIA (all units)			
	(sqm)	(sqft)		(sqm)	(sqft)	(sqm)			
1 bed House	45	481		173	1,865	218			
2 bed House	380	4,093		218	2,351	599			
3 bed House	631	6,787		221	2,375	851			
4 bed House	416	4,478		56	603	472			
5 bed House	130	1,399		14	151	144			
1 bed Flat	0	0		0	0	0			
2 bed Flat	0	0		0	0	0			
3 bed Flat	0	0		0	0	0			
	1,601	17,238		682	7,344	2,284			
AH % by floor area:		29.88% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	190,000	3,455	321	3,455	321	752,875			
2 bed House	275,000	3,526	328	3,526	328	2,110,625			
3 bed House	400,000	4,124	383	4,124	383	3,510,000			
4 bed House	550,000	4,297	399	4,297	399	2,028,125			
5 bed House	625,000	3,906	363	3,906	363	562,500			
1 bed Flat	190,000	3,455	321	2,936	273	0			
2 bed Flat	242,000	3,457	321	2,939	273	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						8,964,125			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed House	151,250	55%	0	0%	0	0%	165,000	60%	
3 bed House	220,000	55%	0	0%	0	0%	240,000	60%	
4 bed House	302,500	55%	0	0%	0	0%	330,000	60%	
5 bed House	343,750	55%	0	0%	0	0%	375,000	60%	
1 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

* capped @£250K

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 25

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.8	@	190,000	154,375
2 bed House	4.9	@	275,000	1,340,625
3 bed House	6.5	@	400,000	2,600,000
4 bed House	3.3	@	550,000	1,787,500
5 bed House	0.8	@	625,000	507,813
1 bed Flat	0.0	@	190,000	-
2 bed Flat	0.0	@	242,000	-
3 bed Flat	0.0	@	0	-
	16.3			6,390,313
Affordable Rent GDV -				
1 bed House	2.8	@	104,500	292,600
2 bed House	2.1	@	151,250	317,625
3 bed House	1.8	@	220,000	385,000
4 bed House	0.4	@	302,500	105,875
5 bed House	0.0	@	343,750	-
1 bed Flat	0.0	@	104,500	-
2 bed Flat	0.0	@	133,100	-
3 bed Flat	0.0	@	0	-
	7.0			1,101,100
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.4	@	114,000	39,900
2 bed House	0.7	@	165,000	115,500
3 bed House	0.5	@	240,000	126,000
4 bed House	0.1	@	330,000	28,875
5 bed House	0.1	@	375,000	32,813
1 bed Flat	0.0	@	114,000	-
2 bed Flat	0.0	@	145,200	-
3 bed Flat	0.0	@	0	-
	1.8	8.8		343,088
Sub-total GDV Residential				7,834,500
AH on-site cost analysis:				
495 £ psm (total GIA sqm)				£MV (no AH) less £GDV (inc. AH)
				1,129,625
				45,185 £ per unit (total units)
Grant				
	9	AH units @	0 per unit	-
Total GDV				7,834,500

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **25**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	15,875 £	(15,875)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	63,500 £	(63,500)
CIL (Mkrt only inc. garages)	Max	1,601 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		25 units @		6,600 per unit		(165,000)
S106 analysis:				6,600 £ per unit (total units)		(165,000)
AH Commuted Sum		2,284 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		1.00 ha @		0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15	25 units @		6,600 per unit		(165,000)
Sub-total					(165,000)	
Infra. Costs analysis:				6,600 £ per unit (total units)		
1 bed House		218 sqm @		1,797 psm		(391,634)
2 bed House		599 sqm @		1,797 psm		(1,075,774)
3 bed House (EXC. garage)		851 sqm @		1,797 psm		(1,529,561)
4 bed House (EXC. garage)		472 sqm @		1,797 psm		(848,184)
5 bed House (EXC. garage)		144 sqm @		1,797 psm		(258,768)
1 bed Flat		- sqm @		2,029 psm		-
2 bed Flat		- sqm @		2,029 psm		-
3 bed Flat		- sqm @		2,029 psm		-
Garages for 3B House	8.8	-	0 sqm @	500 psm		-
Garages for 4B House	3.7	-	0 sqm @	500 psm		-
Garages for 5B House	0.9	-	0 sqm @	500 psm		-
Total GIA check:		2,284	£ per garage	£0		
External works		4,103,921 @		10.0%		(410,392)
Ext. Works analysis:				16,416 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		25 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	16.3 units @	10%	10,000 £ per unit		(25,275)
M4(3) Category 3 Housing	Aff units	8.8 units @	30%	10,000 £ per unit		(16,250)
Part L/FHS - Houses		25 units @		5,000 £ per unit		(125,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.0% % of BCIS costs		
Water Efficiency		25 units @		9 £ per unit		(225)
Carbon / Energy Reduction		25 units @		0 £ per unit		-
Sub-total					(193,791)	
Policy Costs analysis: (design costs only)				7,752 £ per unit (total units)		
				4.7% % of BCIS costs		
Contingency (on construction)		4,873,104 @		3.0%		(146,193)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **25**

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

Professional Fees	4,873,104	@	8.0%		(389,848)
Disposal Costs -					
OMS Marketing and Promotion	6,390,313	OMS @	1.50%	3,834 £ per unit	(95,855)
Residential Sales Agent Costs	6,390,313	OMS @	1.50%	3,834 £ per unit	(95,855)
Residential Sales Legal Costs	6,390,313	OMS @	0.50%	1,278 £ per unit	(31,952)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				9,346 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(23,017)
Developers Profit -					
Profit on OMS	6,390,313		20.00%		(1,278,063)
Margin on AH	1,444,188		6.00%	on AH values	(86,651)
Profit analysis:	7,834,500			17.42% blended GDV	(1,364,714)
	5,910,199			23.09% on costs	(1,364,714)
TOTAL COSTS					(7,274,912)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					559,588
SDLT	559,588	@	HMRC formula		(17,479)
Acquisition Agent fees	559,588	@	1.0%		(5,596)
Acquisition Legal fees	559,588	@	0.5%		(2,798)
Interest on Land	559,588	@	7.00%		(39,171)
Residual Land Value					494,543
RLV analysis:	19,782 £ per plot		494,543 £ per ha (net)	200,139 £ per acre (net)	
			370,907 £ per ha (gross)	150,104 £ per acre (gross)	
				6.31% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	25.0	dph (net)			
Site Area (net)	1.00	ha (net)	2.47	acres (net)	
Net to Gross ratio	75%				
Site Area (gross)	1.33	ha (gross)	3.29	acres (gross)	
Density analysis:	2,284	sqm/ha (net)	9,948	sqft/ac (net)	
	19	dph (gross)			
Benchmark Land Value (net)	18,285 £ per plot	457,135 £ per ha (net)	185,000	£ per acre (net)	457,135
BLV analysis:		342,851 £ per ha (gross)	138,750	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		37,408	£ per ha (net)	15,139	£ per acre (net)
					37,408

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

25

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
£0		351,473	306,316	261,159	215,933	170,648	125,363	79,967
£1,000		341,707	296,549	251,392	206,141	160,856	115,571	70,144
Site Specific S106 Contributions		331,940	286,783	241,626	196,349	151,064	105,771	60,322
£6,600		322,174	277,017	231,843	186,558	141,272	95,949	50,500
£4,000		312,408	267,251	222,051	176,766	131,481	86,126	40,677
£5,000		302,641	257,484	212,259	166,974	121,689	76,304	30,855
£6,000		292,875	247,718	202,467	157,182	111,897	66,481	21,032
£7,000		283,109	237,952	192,675	147,390	102,105	56,659	11,210
£8,000		273,343	228,169	182,884	137,599	92,286	46,837	1,354
£9,000		263,576	218,377	173,092	127,807	82,463	37,014	(8,504)
£10,000		253,810	208,585	163,300	118,015	72,641	27,192	(18,362)
£11,000		244,044	198,793	153,508	108,223	62,819	17,370	(28,221)
£12,000		234,277	189,002	143,717	98,431	52,996	7,547	(38,079)
£13,000		224,495	179,210	133,925	88,623	43,174	(2,287)	(47,937)
£14,000		214,703	169,418	124,133	78,801	33,351	(12,145)	(57,795)
£15,000		204,911	159,626	114,341	68,978	23,529	(22,004)	(67,653)
£16,000		195,120	149,834	104,549	59,156	13,707	(31,862)	(77,548)
£17,000		185,328	140,043	94,758	49,333	3,884	(41,720)	(87,447)
£18,000		175,536	130,251	84,960	39,511	(5,938)	(51,578)	(97,489)
£19,000		165,744	120,459	75,138	29,689	(15,787)	(61,436)	(107,731)
£20,000		155,952	110,667	65,315	19,866	(25,645)	(71,294)	(117,973)
£21,000		146,161	100,875	55,493	10,044	(35,503)	(81,157)	(128,216)
£22,000		136,369	91,084	45,671	221	(45,361)	(91,056)	(138,690)
£23,000		126,577	81,292	35,848	(9,601)	(55,219)	(101,222)	(149,210)
£24,000		116,785	71,475	26,026	(19,428)	(65,077)	(111,465)	(159,730)
£25,000		106,993	61,652	16,203	(29,286)	(74,935)	(121,707)	(170,250)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
15%		450,488	396,727	342,857	288,968	235,080	181,042	126,989
16%		417,794	365,753	313,604	261,436	209,268	156,951	104,619
Profit		385,099	334,780	284,351	233,904	183,457	132,860	82,249
20%		352,405	303,806	255,098	206,372	157,645	108,770	59,879
19%		319,710	272,832	225,845	178,839	131,834	84,679	37,509
20%		287,015	241,858	196,592	151,307	106,022	60,588	15,139

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 25

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
	50,000	422,015	376,858	331,592	286,307	241,022	195,588	150,139
	60,000	412,015	366,858	321,592	276,307	231,022	185,588	140,139
BLV (£ per acre)	70,000	402,015	356,858	311,592	266,307	221,022	175,588	130,139
185,000	80,000	392,015	346,858	301,592	256,307	211,022	165,588	120,139
	90,000	382,015	336,858	291,592	246,307	201,022	155,588	110,139
	100,000	372,015	326,858	281,592	236,307	191,022	145,588	100,139
	110,000	362,015	316,858	271,592	226,307	181,022	135,588	90,139
	120,000	352,015	306,858	261,592	216,307	171,022	125,588	80,139
	130,000	342,015	296,858	251,592	206,307	161,022	115,588	70,139
	140,000	332,015	286,858	241,592	196,307	151,022	105,588	60,139
	150,000	322,015	276,858	231,592	186,307	141,022	95,588	50,139
	160,000	312,015	266,858	221,592	176,307	131,022	85,588	40,139
	170,000	302,015	256,858	211,592	166,307	121,022	75,588	30,139
	180,000	292,015	246,858	201,592	156,307	111,022	65,588	20,139
	190,000	282,015	236,858	191,592	146,307	101,022	55,588	10,139
	200,000	272,015	226,858	181,592	136,307	91,022	45,588	139

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
	15	98,209	71,115	43,955	16,784	(10,387)	(37,647)	(64,917)
	18	145,411	113,801	82,115	50,415	18,715	(13,088)	(44,903)
Density (dph)	20	192,612	156,487	120,274	84,046	47,818	11,470	(24,889)
25.00	23	239,814	199,172	158,433	117,676	76,920	36,029	(4,875)
	25	287,015	241,858	196,592	151,307	106,022	60,588	15,139
	28	334,217	284,544	234,751	184,938	135,124	85,147	35,153
	30	381,418	327,230	272,911	218,568	164,226	109,706	55,167
	33	428,620	369,916	311,070	252,199	193,329	134,264	75,181
	35	475,822	412,601	349,229	285,830	222,431	158,823	95,195
	38	523,023	455,287	387,388	319,461	251,533	183,382	115,208
	40	570,225	497,973	425,547	353,091	280,635	207,941	135,222
	43	617,426	540,659	463,707	386,722	309,737	232,500	155,236
	45	664,628	583,345	501,866	420,353	338,840	257,058	175,250
	48	711,829	626,031	540,025	453,983	367,942	281,617	195,264
	50	759,031	668,716	578,184	487,614	397,044	306,176	215,278
	53	806,232	711,402	616,344	521,245	426,146	330,735	235,292

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

25

Greenfield/Brownfield:

Greenfield

Median BCIS : 35% AH

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
	80%	663,706	614,673	565,639	516,605	467,571	418,529	369,394
	85%	569,632	521,591	473,549	425,485	377,345	329,204	281,063
Build Cost	90%	475,558	428,464	381,318	334,172	287,025	239,879	192,615
100%	95%	381,313	335,161	289,009	242,858	196,598	150,316	104,015
(105% = 5% increase)	100%	287,015	241,858	196,592	151,307	106,022	60,588	15,139
	105%	192,597	148,309	104,021	59,608	15,160	(29,413)	(74,091)
	110%	98,031	54,626	11,178	(32,350)	(75,990)	(120,738)	(167,125)
	115%	3,194	(39,304)	(81,940)	(125,789)	(171,122)	(219,789)	(270,191)
	120%	(91,908)	(135,140)	(179,410)	(227,565)	(276,615)	(326,002)	(375,389)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	15,139	75%	80%	85%	90%	95%	100%	105%
	80%	114,025	25,270	(63,825)	(156,203)	(258,324)	(363,523)	(468,965)
	85%	200,094	111,527	22,737	(66,383)	(158,934)	(261,291)	(366,490)
Market Values	90%	285,971	197,611	109,029	20,204	(68,942)	(161,664)	(264,258)
100%	95%	371,847	283,517	195,113	106,531	17,672	(71,517)	(164,394)
(105% = 5% increase)	100%	457,625	369,394	281,063	192,615	104,015	15,139	(74,091)
	105%	543,347	455,225	366,940	278,610	190,118	101,482	12,597
	110%	629,068	540,946	452,817	364,487	276,156	187,620	98,950
	115%	714,789	626,668	538,546	450,363	362,033	273,703	185,122
	120%	800,510	712,389	624,267	536,146	447,910	359,579	271,206

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	15,139	5%	10%	15%	20%	25%	30%	35%
	£0	287,015	241,858	196,592	151,307	106,022	60,588	15,139
	£2,000	267,449	222,255	176,970	131,685	86,350	40,900	(4,607)
Carbon/Energy Reduction/FHS	£4,000	247,882	202,632	157,347	112,062	66,662	21,213	(24,369)
	£6,000	228,295	183,010	137,725	92,423	46,974	1,518	(44,132)
£ per dwelling	£8,000	208,673	163,388	118,102	72,736	27,287	(18,245)	(63,894)
	£10,000	189,050	143,765	98,480	53,048	7,599	(38,007)	(83,730)
	£12,000	169,428	124,143	78,810	33,361	(12,120)	(57,769)	(103,936)
	£14,000	149,805	104,520	59,122	13,673	(31,882)	(77,537)	(124,470)
	£16,000	130,183	84,884	39,435	(6,015)	(51,644)	(97,528)	(145,428)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **P** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **100**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				100 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		7.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	3.3	40.0%	11.2	20.0%	1.4	16%	15.9	
2 bed House	30.0%	19.5	30.0%	8.4	40.0%	2.8	31%	30.7	
3 bed House	40.0%	26.0	25.0%	7.0	30.0%	2.1	35%	35.1	
4 bed House	20.0%	13.0	5.0%	1.4	5.0%	0.4	15%	14.8	
5 bed House	5.0%	3.3	0.0%	0.0	5.0%	0.4	4%	3.6	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	65.0		28.0	100%	7.0	100%	100.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	45.0	484		85.0%			52.9	570	
2 bed Flat	60.0	646		85.0%			70.6	760	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)		Total GIA (all units) (sqm)	(sqft)	
1 bed House	146	1,574		567	6,103		713	7,677	
2 bed House	1,463	15,742		840	9,042		2,303	24,784	
3 bed House	2,418	26,027		846	9,109		3,264	35,137	
4 bed House	1,495	16,092		201	2,166		1,696	18,258	
5 bed House	504	5,422		54	584		558	6,006	
1 bed Flat	0	0		0	0		0	0	
2 bed Flat	0	0		0	0		0	0	
3 bed Flat	0	0		0	0		0	0	
	6,026	64,858		2,509	27,004		8,534	91,862	
AH % by floor area: 29.40% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	168,000	3,733	347	3,733	347		2,662,800		
2 bed House	252,000	3,360	312	3,360	312		7,736,400		
3 bed House	375,000	4,032	375	4,032	375		13,162,500		
4 bed House	480,000	4,174	388	4,174	388		7,080,000		
5 bed House	600,000	3,871	360	3,871	360		2,160,000		
1 bed Flat	168,000	3,733	347	3,173	295		0		
2 bed Flat	210,000	3,500	325	2,975	276		0		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							32,801,700		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed House	138,600	55%	0	0%	0	0%	151,200	60%	
3 bed House	206,250	55%	0	0%	0	0%	225,000	60%	
4 bed House	264,000	55%	0	0%	0	0%	288,000	60%	
5 bed House	330,000	55%	0	0%	0	0%	360,000	60%	
1 bed Flat	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed Flat	115,500	55%	0	0%	0	0%	126,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

* capped @£250K

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	3.3	@	168,000	546,000
2 bed House	19.5	@	252,000	4,914,000
3 bed House	26.0	@	375,000	9,750,000
4 bed House	13.0	@	480,000	6,240,000
5 bed House	3.3	@	600,000	1,950,000
1 bed Flat	0.0	@	168,000	-
2 bed Flat	0.0	@	210,000	-
3 bed Flat	0.0	@	0	-
	65.0			23,400,000
Affordable Rent GDV -				
1 bed House	11.2	@	92,400	1,034,880
2 bed House	8.4	@	138,600	1,164,240
3 bed House	7.0	@	206,250	1,443,750
4 bed House	1.4	@	264,000	369,600
5 bed House	0.0	@	330,000	-
1 bed Flat	0.0	@	92,400	-
2 bed Flat	0.0	@	115,500	-
3 bed Flat	0.0	@	0	-
	28.0			4,012,470
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.4	@	100,800	141,120
2 bed House	2.8	@	151,200	423,360
3 bed House	2.1	@	225,000	472,500
4 bed House	0.4	@	288,000	100,800
5 bed House	0.4	@	360,000	126,000
1 bed Flat	0.0	@	100,800	-
2 bed Flat	0.0	@	126,000	-
3 bed Flat	0.0	@	0	-
	7.0	35.0		1,263,780
Sub-total GDV Residential	100			28,676,250
AH on-site cost analysis:				
		483 £ psm (total GIA sqm)	£MV (no AH) less £GDV (inc. AH)	4,125,450
			41,255 £ per unit (total units)	
Grant	35	AH units @	0 per unit	-
Total GDV				28,676,250

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Greenfield

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	40,835 £	(40,835)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	122,505 £	(122,505)
CIL (Mkrt only inc. garages)	Max	6,026 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		100 units @		6,600 per unit		(660,000)
S106 analysis:		231,000 £ per ha	2.30% % of GDV	6,600 £ per unit (total units)		
AH Commuted Sum		8,534 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		2.86 ha @		0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15			0		-
Sub-total		100 units @		6,600 per unit		(660,000)
Infra. Costs analysis:		231,000 £ per ha	2.30% % of GDV	6,600 £ per unit (total units)		
1 bed House		713 sqm @		1,510 psm		(1,077,008)
2 bed House		2,303 sqm @		1,510 psm		(3,476,775)
3 bed House (EXC. garage)		3,264 sqm @		1,510 psm		(4,929,093)
4 bed House (EXC. garage)		1,696 sqm @		1,510 psm		(2,561,338)
5 bed House (EXC. garage)		558 sqm @		1,510 psm		(842,580)
1 bed Flat		- sqm @		1,685 psm		-
2 bed Flat		- sqm @		1,685 psm		-
3 bed Flat		- sqm @		1,685 psm		-
Garages for 3B House	35.1	-	0 sqm @	500 psm		-
Garages for 4B House	14.8	-	0 sqm @	500 psm		-
Garages for 5B House	3.6	-	0 sqm @	500 psm		-
Total GIA check:		8,534 £ per garage		£0		
External works		12,886,793 @		15.0%		(1,933,019)
Ext. Works analysis:				19,330 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		100 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	65.0 units @	10%	10,000 £ per unit		(65,000)
M4(3) Category 3 Housing	Aff units	35.0 units @	30%	10,000 £ per unit		(105,000)
Part L/FHS - Houses		100 units @		5,000 £ per unit		(500,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.9% % of BCIS costs		
Water Efficiency		100 units @		9 £ per unit		(900)
Carbon / Energy Reduction		100 units @		0 £ per unit		-
Sub-total						(772,791)
Policy Costs analysis: (design costs only)				7,728 £ per unit (total units)		
				6.0% % of BCIS costs		
Contingency (on construction)		16,252,603 @		3.0%		(487,578)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

Professional Fees	16,252,603	@	8.0%		(1,300,208)
Disposal Costs -					
OMS Marketing and Promotion	23,400,000	OMS @	1.50%	3,510 £ per unit	(351,000)
Residential Sales Agent Costs	23,400,000	OMS @	1.50%	3,510 £ per unit	(351,000)
Residential Sales Legal Costs	23,400,000	OMS @	0.50%	1,170 £ per unit	(117,000)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				8,290 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00% APR		0.565% pcm	(259,042)
Developers Profit -					
Profit on OMS	23,400,000		20.00%		(4,680,000)
Margin on AH	5,276,250		6.00% on AH values		(316,575)
Profit analysis:	28,676,250		17.42% blended GDV	(4,996,575)	
	19,951,772		25.04% on costs	(4,996,575)	
TOTAL COSTS					(24,948,347)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					3,727,903
SDLT	3,727,903	@	HMRC formula		(175,895)
Acquisition Agent fees	3,727,903	@	1.0%		(37,279)
Acquisition Legal fees	3,727,903	@	0.5%		(18,640)
Interest on Land	3,727,903	@	7.00%		(260,953)
Residual Land Value					3,235,136
RLV analysis:	32,351 £ per plot	1,132,298 £ per ha (net)	458,235 £ per acre (net)		
		735,994 £ per ha (gross)	297,852 £ per acre (gross)		
			11.28% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	35.0	dph (net)			
Site Area (net)	2.86	ha (net)	7.06	acres (net)	
Net to Gross ratio	65%				
Site Area (gross)	4.40	ha (gross)	10.86	acres (gross)	
Density analysis:	2,987	sqm/ha (net)	13,012	sqft/ac (net)	
	23	dph (gross)			
Benchmark Land Value (net)	15,885 £ per plot	555,975 £ per ha (net)	225,000	£ per acre (net)	1,588,500
BLV analysis:		361,384 £ per ha (gross)	146,250	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		576,323 £ per ha (net)	233,235 £ per acre (net)		1,646,636

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Greenfield

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

TABLE 1		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))		233,235	25%	30%	35%	40%	45%	50%	55%
Site Specific S106 Contributions £6,600	£0		445,114	385,851	326,376	266,714	206,800	146,515	85,765
	£1,000		431,116	371,799	312,319	252,605	192,595	132,213	71,325
	£2,000		417,118	357,747	298,210	238,438	178,361	117,912	56,877
	£3,000		403,119	343,696	284,101	224,268	164,128	103,552	42,387
	£4,000		389,119	329,644	269,992	210,099	149,881	89,180	27,861
	£5,000		375,067	315,592	255,883	195,923	135,580	74,797	13,303
	£6,000		361,015	301,489	241,736	181,689	121,278	60,349	(1,305)
	£7,000		346,963	287,380	227,567	167,456	106,967	45,902	(15,913)
	£8,000		332,912	273,271	213,397	153,222	92,594	31,400	(30,522)
	£9,000		318,860	259,162	199,228	138,947	78,222	16,874	(45,130)
	£10,000		304,767	245,035	185,017	124,645	63,821	2,311	(59,738)
	£11,000		290,658	230,865	170,783	110,344	49,374	(12,298)	(74,346)
	£12,000		276,549	216,696	156,550	96,009	34,926	(26,906)	(88,955)
	£13,000		262,441	202,526	142,313	81,636	20,413	(41,514)	(103,592)
	£14,000		248,332	188,345	128,012	67,264	5,887	(56,122)	(118,283)
	£15,000		234,164	174,111	113,710	52,846	(8,682)	(70,730)	(132,974)
	£16,000		219,994	159,878	99,409	38,398	(23,290)	(85,339)	(147,665)
	£17,000		205,825	145,644	85,051	23,951	(37,898)	(99,947)	(162,355)
	£18,000		191,655	131,378	70,678	9,426	(52,506)	(114,563)	(177,046)
	£19,000		177,439	117,077	56,306	(5,100)	(67,115)	(129,254)	(191,737)
	£20,000		163,206	102,775	41,871	(19,674)	(81,723)	(143,945)	(206,928)
	£21,000		148,972	88,466	27,423	(34,282)	(96,331)	(158,635)	(222,501)
	£22,000		134,738	74,093	12,965	(48,891)	(110,939)	(173,326)	(239,348)
	£23,000		120,443	59,720	(1,561)	(63,499)	(125,548)	(188,017)	(256,428)
	£24,000		106,142	45,343	(16,087)	(78,107)	(140,224)	(203,049)	(273,507)
	£25,000		91,841	30,895	(30,667)	(92,715)	(154,915)	(218,532)	(290,587)

TABLE 2

TABLE 2		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))		233,235	15%	20%	25%	30%	35%	40%	45%
Profit 20%	15%		658,701	588,415	517,988	447,400	376,584	305,472	233,994
	16%		621,210	553,129	484,907	416,525	347,914	279,007	209,734
	17%		583,718	517,843	451,826	385,649	319,245	252,543	185,475
	18%		546,227	482,557	418,746	354,774	290,575	226,078	161,216
	19%		508,735	447,271	385,665	323,899	261,905	199,614	136,957
	20%		471,244	411,985	352,584	293,023	233,235	173,149	112,698

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

100

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	233,235	15%	20%	25%	30%	35%	40%	45%
	50,000	646,244	586,985	527,584	468,023	408,235	348,149	287,698
	60,000	636,244	576,985	517,584	458,023	398,235	338,149	277,698
BLV (£ per acre)	70,000	626,244	566,985	507,584	448,023	388,235	328,149	267,698
225,000	80,000	616,244	556,985	497,584	438,023	378,235	318,149	257,698
	90,000	606,244	546,985	487,584	428,023	368,235	308,149	247,698
	100,000	596,244	536,985	477,584	418,023	358,235	298,149	237,698
	110,000	586,244	526,985	467,584	408,023	348,235	288,149	227,698
	120,000	576,244	516,985	457,584	398,023	338,235	278,149	217,698
	130,000	566,244	506,985	447,584	388,023	328,235	268,149	207,698
	140,000	556,244	496,985	437,584	378,023	318,235	258,149	197,698
	150,000	546,244	486,985	427,584	368,023	308,235	248,149	187,698
	160,000	536,244	476,985	417,584	358,023	298,235	238,149	177,698
	170,000	526,244	466,985	407,584	348,023	288,235	228,149	167,698
	180,000	516,244	456,985	397,584	338,023	278,235	218,149	157,698
	190,000	506,244	446,985	387,584	328,023	268,235	208,149	147,698
	200,000	496,244	436,985	377,584	318,023	258,235	198,149	137,698

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	233,235	15%	20%	25%	30%	35%	40%	45%
	15	73,390	47,993	22,536	(2,990)	(28,614)	(54,365)	(80,272)
	18	123,122	93,492	63,792	34,012	4,117	(25,925)	(56,151)
Density (dph)	20	172,853	138,991	105,048	71,013	36,848	2,514	(32,030)
35.00	23	222,585	184,490	146,304	108,015	69,579	30,953	(7,909)
	25	272,317	229,989	187,560	145,017	102,310	59,392	16,213
	28	322,049	275,488	228,816	182,018	135,041	87,831	40,334
	30	371,780	320,987	270,072	219,020	167,773	116,271	64,455
	33	421,512	366,486	311,328	256,022	200,504	144,710	88,576
	35	471,244	411,985	352,584	293,023	233,235	173,149	112,698
	38	520,975	457,484	393,840	330,025	265,966	201,588	136,819
	40	570,707	502,983	435,096	367,027	298,697	230,027	160,940
	43	620,439	548,481	476,352	404,028	331,428	258,467	185,061
	45	670,170	593,980	517,608	441,030	364,159	286,906	209,183
	48	719,902	639,479	558,864	478,032	396,890	315,345	233,304
	50	769,634	684,978	600,120	515,033	429,621	343,784	257,425
	53	819,365	730,477	641,376	552,035	462,352	372,224	281,546

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

100

Greenfield/Brownfield:

Greenfield

TABLE 5

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	233,235	15%	20%	25%	30%	35%	40%	45%
Build Cost 100% (105% = 5% increase)	80%	904,029	840,352	776,625	712,808	648,991	585,022	521,022
	85%	796,295	733,745	671,195	608,486	545,776	482,883	419,897
	90%	688,303	626,865	565,426	503,811	442,133	380,314	318,279
	95%	579,978	519,636	459,249	398,710	338,002	277,103	215,943
	100%	471,244	411,985	352,584	293,023	233,235	173,149	112,698
	105%	362,025	303,781	245,341	186,637	127,600	68,162	8,121
	110%	252,244	194,879	137,257	79,253	20,803	(38,305)	(97,681)
	115%	141,630	85,057	28,064	(29,427)	(87,457)	(145,511)	(204,346)
	120%	30,012	(26,018)	(82,578)	(139,281)	(196,315)	(259,445)	(325,828)

TABLE 6

		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	233,235	75%	80%	85%	90%	95%	100%	105%
Market Values 100% (105% = 5% increase)	80%	308,320	203,826	98,420	(8,346)	(116,703)	(227,460)	(354,076)
	85%	419,631	315,764	211,197	105,715	(1,056)	(109,392)	(219,465)
	90%	530,602	427,152	323,177	218,560	113,010	6,230	(102,080)
	95%	641,329	538,189	434,671	330,590	225,897	120,305	13,516
	100%	751,886	648,991	545,776	442,133	338,002	233,235	127,600
	105%	862,243	759,548	656,590	553,297	449,596	345,415	240,572
	110%	972,576	869,987	767,210	664,178	560,818	457,059	352,828
	115%	1,082,721	980,320	877,731	774,872	671,765	568,339	464,522
	120%	1,192,862	1,090,556	988,064	885,429	782,534	679,353	575,860

TABLE 7

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	233,235	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £0.00 £ per dwelling	£0	589,425	530,359	471,244	411,985	352,584	293,023	233,235
	£2,000	561,467	502,401	443,183	383,889	324,414	264,737	204,825
	£4,000	533,509	474,382	415,123	355,719	296,165	236,393	176,334
	£6,000	505,551	446,321	387,024	327,549	267,879	207,984	147,795
	£8,000	477,519	418,261	358,854	299,307	239,552	179,518	119,139
	£10,000	449,459	390,159	330,684	271,021	211,142	150,979	90,430
	£12,000	421,399	361,990	302,449	242,710	182,703	122,360	61,611
	£14,000	393,295	333,820	274,163	214,301	154,164	93,684	32,678
	£16,000	365,125	305,591	245,869	185,888	125,581	64,877	3,645

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **Q** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **150**
 Notes/Comments: **Lower Quartile BCIS : 35% AH** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				150 Units					
AH Policy requirement (% Target)				35%					
Open Market Sale (OMS) housing				65%					
AH tenure split %									
Open Market Sale (OMS)									
Affordable Rent:				80.0%					
Social Rent:				0.0%					
First Homes:				0.0%					
Other Intermediate (LCHO/Sub-Market etc.):				20.0%					
				100%		100.0%			
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -		OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units
1 bed House		5.0%	4.9	20.0%	8.4	10.0%	1.1	10%	14.3
2 bed House		30.0%	29.3	20.0%	8.4	20.0%	2.1	27%	39.8
3 bed House		40.0%	39.0	25.0%	10.5	30.0%	3.2	35%	52.7
4 bed House		20.0%	19.5	5.0%	2.1	5.0%	0.5	15%	22.1
5 bed House		5.0%	4.9	0.0%	0.0	5.0%	0.5	4%	5.4
1 bed Flat		0.0%	0.0	20.0%	8.4	10.0%	1.1	6%	9.5
2 bed Flat		0.0%	0.0	10.0%	4.2	20.0%	2.1	4%	6.3
3 bed Flat		0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0
Total number of units		100.0%	97.5	100%	42.0	100%	10.5	100%	150.0
OMS Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		75.0	807			75.0		807	
3 bed House		93.0	1,001		0.0	93.0		1,001	
4 bed House		115.0	1,238		0.0	115.0		1,238	
5 bed House		155.0	1,668		0.0	155.0		1,668	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
AH Floor areas, per Unit -		Net area per unit		Net to Gross %	Garage area	Gross (GIA) per unit			
		(sqm)	(sqft)	%	(sqm)	(sqm)		(sqft)	
1 bed House		45.0	484			45.0		484	
2 bed House		75.0	807			75.0		807	
3 bed House		93.0	1,001		0.0	93.0		1,001	
4 bed House		115.0	1,238		0.0	115.0		1,238	
5 bed House		155.0	1,668		0.0	155.0		1,668	
1 bed Flat		45.0	484	85.0%		52.9		570	
2 bed Flat		60.0	646	85.0%		70.6		760	
3 bed Flat		0.0	0	85.0%		0.0		0	
Total Gross Overall Floor areas -		OMS Units GIA		AH units GIA		Total GIA (all units)			
		(sqm)	(sqft)	(sqm)	(sqft)	(sqm)		(sqft)	
1 bed House		219	2,361	425	4,577	645		6,939	
2 bed House		2,194	23,613	788	8,477	2,981		32,090	
3 bed House		3,627	39,041	1,269	13,664	4,896		52,705	
4 bed House		2,243	24,138	302	3,249	2,544		27,387	
5 bed House		756	8,133	81	876	837		9,009	
1 bed Flat		0	0	500	5,385	500		5,385	
2 bed Flat		0	0	445	4,787	445		4,787	
3 bed Flat		0	0	0	0	0		0	
		9,038	97,287	3,810	41,015	12,849		138,302	
AH % by floor area:		29.66% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -		£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)		
1 bed House		168,000	3,733	347	3,733	347	2,406,600		
2 bed House		252,000	3,360	312	3,360	312	10,017,000		
3 bed House		375,000	4,032	375	4,032	375	19,743,750		
4 bed House		480,000	4,174	388	4,174	388	10,620,000		
5 bed House		600,000	3,871	360	3,871	360	3,240,000		
1 bed Flat		168,000	3,733	347	3,173	295	1,587,600		
2 bed Flat		210,000	3,500	325	2,975	276	1,323,000		
3 bed Flat			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0		
							48,937,950		
Affordable Housing values (£) -		Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House		92,400	55%	0	0%	0	0%	100,800	60%
2 bed House		138,600	55%	0	0%	0	0%	151,200	60%
3 bed House		206,250	55%	0	0%	0	0%	225,000	60%
4 bed House		264,000	55%	0	0%	0	0%	288,000	60%
5 bed House		330,000	55%	0	0%	0	0%	360,000	60%
1 bed Flat		92,400	55%	0	0%	0	0%	100,800	60%
2 bed Flat		115,500	55%	0	0%	0	0%	126,000	60%
3 bed Flat		0	55%	0	0%	0	0%	0	60%
* capped @£250K									

* capped @£250K

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

150

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	4.9	@	168,000	819,000
2 bed House	29.3	@	252,000	7,371,000
3 bed House	39.0	@	375,000	14,625,000
4 bed House	19.5	@	480,000	9,360,000
5 bed House	4.9	@	600,000	2,925,000
1 bed Flat	0.0	@	168,000	-
2 bed Flat	0.0	@	210,000	-
3 bed Flat	0.0	@	0	-
	97.5			35,100,000
Affordable Rent GDV -				
1 bed House	8.4	@	92,400	776,160
2 bed House	8.4	@	138,600	1,164,240
3 bed House	10.5	@	206,250	2,165,625
4 bed House	2.1	@	264,000	554,400
5 bed House	0.0	@	330,000	-
1 bed Flat	8.4	@	92,400	776,160
2 bed Flat	4.2	@	115,500	485,100
3 bed Flat	0.0	@	0	-
	42.0			5,921,685
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	1.1	@	100,800	105,840
2 bed House	2.1	@	151,200	317,520
3 bed House	3.2	@	225,000	708,750
4 bed House	0.5	@	288,000	151,200
5 bed House	0.5	@	360,000	189,000
1 bed Flat	1.1	@	100,800	105,840
2 bed Flat	2.1	@	126,000	264,600
3 bed Flat	0.0	@	0	-
	10.5	52.5		1,842,750
Sub-total GDV Residential				42,864,435
AH on-site cost analysis:				
473 £ psm (total GIA sqm)				£MV (no AH) less £GDV (inc. AH)
				6,073,515
40,490 £ per unit (total units)				
Grant				
	53	AH units @	0 per unit	-
Total GDV				42,864,435

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

150

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)	50,285 £	(50,285)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)	150,855 £	(150,855)
CIL (Mkrt only inc. garages)	Max	9,038 sqm		0.00 £ psm		-
CIL analysis:		0.00% % of GDV		0 £ per unit (total units)		
Site Specific S106	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
Site Specific S106 (installment)		150 units @		6,600 per unit		(990,000)
S106 analysis:		297,000 £ per ha	2.31% % of GDV	6,600 £ per unit (total units)		
AH Commuted Sum		12,849 sqm (total)		0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV				

Construction Costs -

Site Clearance, Demolition & Remediation		3.33 ha @		110,000 £ per ha (if brownfield)		(366,667)
Site Infrastructure costs	Year 1			0		-
(strategic site cashflow yrs 1-15)	Year 2			0		-
	Year 3			0		-
	Year 4			0		-
	Year 5			0		-
	Year 6			0		-
	Year 7			0		-
	Year 8			0		-
	Year 9			0		-
	Year 10			0		-
	Year 11			0		-
	Year 12			0		-
	Year 13			0		-
	Year 14			0		-
	Year 15			0		-
	Years 1-15			0		-
Sub-total		150 units @		6,600 per unit		(990,000)
Infra. Costs analysis:		297,000 £ per ha	2.31% % of GDV	6,600 £ per unit (total units)		
1 bed House		645 sqm @		1,510 psm		(973,384)
2 bed House		2,981 sqm @		1,510 psm		(4,501,688)
3 bed House (EXC. garage)		4,896 sqm @		1,510 psm		(7,393,640)
4 bed House (EXC. garage)		2,544 sqm @		1,510 psm		(3,842,006)
5 bed House (EXC. garage)		837 sqm @		1,510 psm		(1,263,870)
1 bed Flat		500 sqm @		1,685 psm		(842,996)
2 bed Flat		445 sqm @		1,685 psm		(749,329)
3 bed Flat		- sqm @		1,685 psm		-
Garages for 3B House	52.7	-	0 sqm @	500 psm		-
Garages for 4B House	22.1	-	0 sqm @	500 psm		-
Garages for 5B House	5.4	-	0 sqm @	500 psm		-
Total GIA check:		12,849 £ per garage		£0		
External works		19,566,912 @		15.0%		(2,935,037)
Ext. Works analysis:				19,567 £ per unit (total units)		
Policy Costs on design -						
Building Safety Levy						
Net Biodiversity costs		150 units @		0 £ per unit		-
M4(3) Category 3 Housing	OMS units	97.5 units @	10%	10,000 £ per unit		(43,050)
M4(3) Category 3 Housing	Aff units	52.5 units @	30%	10,000 £ per unit		(97,500)
Part L/FHS - Houses		150 units @		5,000 £ per unit		(750,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit		(791)
Part L/FHS analysis:				3.8% % of BCIS costs		
Water Efficiency		150 units @		9 £ per unit		(1,350)
Carbon / Energy Reduction		150 units @		0 £ per unit		-
Sub-total						(1,050,191)
Policy Costs analysis: (design costs only)				7,001 £ per unit (total units)		
				5.4% % of BCIS costs		
Contingency (on construction)		24,908,806 @		5.0%		(1,245,440)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

150

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

Professional Fees	24,908,806	@	8.0%		(1,992,705)
Disposal Costs -					
OMS Marketing and Promotion	35,100,000	OMS @	1.50%	3,510 £ per unit	(526,500)
Residential Sales Agent Costs	35,100,000	OMS @	1.50%	3,510 £ per unit	(526,500)
Residential Sales Legal Costs	35,100,000	OMS @	0.50%	1,170 £ per unit	(175,500)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				8,257 £ per unit (exc. EPC)	
Interest (on Development Costs) -		7.00%	APR	0.565% pcm	(360,670)
Developers Profit -					
Profit on OMS	35,100,000		20.00%		(7,020,000)
Margin on AH	7,764,435		6.00%	on AH values	(465,866)
Profit analysis:	42,864,435			17.46% blended GDV	(7,485,866)
	30,937,262			24.20% on costs	(7,485,866)
TOTAL COSTS					(38,423,128)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					4,441,307
SDLT	4,441,307	@	HMRC formula		(211,565)
Acquisition Agent fees	4,441,307	@	1.0%		(44,413)
Acquisition Legal fees	4,441,307	@	0.5%		(22,207)
Interest on Land	4,441,307	@	7.00%		(310,892)
Residual Land Value					3,852,231
RLV analysis:	25,682 £ per plot		1,155,669 £ per ha (net)	467,693 £ per acre (net)	
			866,752 £ per ha (gross)	350,770 £ per acre (gross)	
				8.99% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	45.0	dph (net)			
Site Area (net)	3.33	ha (net)	8.24	acres (net)	
Net to Gross ratio	75%				
Site Area (gross)	4.44	ha (gross)	10.98	acres (gross)	
Density analysis:	3,855	sqm/ha (net)	16,791	sqft/ac (net)	
	34	dph (gross)			
Benchmark Land Value (net)	8,786 £ per plot	395,360 £ per ha (net)	160,000	£ per acre (net)	1,317,867
BLV analysis:		296,520 £ per ha (gross)	120,000	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)	760,309	£ per ha (net)	307,693	£ per acre (net)	2,534,364

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

150

Greenfield/Brownfield:

Brownfield

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))		25%	30%	35%	40%	45%	50%	55%
Site Specific S106 Contributions £6,600	£0	594,581	511,978	429,124	345,919	262,308	178,047	92,870
	£1,000	576,322	493,677	410,753	327,487	243,746	159,340	73,969
	£2,000	558,063	475,364	392,382	309,055	225,183	140,632	55,020
	£3,000	539,805	457,050	374,011	290,563	206,598	121,856	36,006
	£4,000	521,546	438,737	355,616	272,067	187,964	103,071	16,954
	£5,000	503,278	420,398	337,184	253,571	169,330	84,217	(2,172)
	£6,000	484,965	402,027	318,752	235,013	150,634	65,352	(21,367)
	£7,000	466,652	383,656	300,320	216,450	131,927	46,403	(40,622)
	£8,000	448,338	365,285	281,826	197,876	113,174	27,432	(59,947)
	£9,000	430,025	346,881	263,330	179,242	94,389	8,396	(79,365)
	£10,000	411,671	328,449	244,834	160,608	75,564	(10,698)	(98,874)
	£11,000	393,300	310,017	226,280	141,929	56,699	(29,837)	(118,476)
	£12,000	374,929	291,585	207,717	123,221	37,786	(49,057)	(138,379)
	£13,000	356,559	273,089	189,153	104,491	18,837	(68,348)	(159,150)
	£14,000	338,146	254,593	170,520	85,706	(179)	(87,705)	(181,892)
	£15,000	319,714	236,097	151,886	66,911	(19,224)	(107,139)	(204,713)
	£16,000	301,282	217,548	133,223	48,046	(38,351)	(126,661)	(227,535)
	£17,000	282,848	198,984	114,515	29,169	(57,528)	(146,845)	(250,409)
	£18,000	264,352	180,421	95,808	10,220	(76,756)	(168,428)	(273,359)
	£19,000	245,856	161,797	77,024	(8,754)	(96,074)	(191,250)	(296,310)
	£20,000	227,360	143,164	58,239	(27,790)	(115,463)	(214,071)	(319,260)
	£21,000	208,815	124,518	39,393	(46,877)	(135,011)	(236,893)	(342,211)
	£22,000	190,252	105,810	20,528	(66,003)	(155,501)	(259,714)	(365,183)
	£23,000	171,689	87,102	1,603	(85,219)	(177,786)	(282,586)	(388,264)
	£24,000	153,075	68,342	(17,346)	(104,482)	(200,608)	(305,536)	(411,344)
	£25,000	134,441	49,557	(36,364)	(123,803)	(223,429)	(328,487)	(434,424)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))		5%	10%	15%	20%	25%	30%	35%
Profit 20%	15%	1,073,043	976,702	880,181	783,515	686,639	589,489	492,000
	16%	1,019,169	925,663	831,978	738,147	644,106	549,792	455,138
	17%	965,294	874,624	783,774	692,779	601,574	510,095	418,277
	18%	911,420	823,585	735,571	647,411	559,042	470,398	381,416
	19%	857,546	772,546	687,368	602,043	516,509	430,701	344,554
	20%	803,671	721,507	639,164	556,675	473,977	391,004	307,693

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

150

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	307,693	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 160,000	50,000	913,671	831,507	749,164	666,675	583,977	501,004	417,693
	60,000	903,671	821,507	739,164	656,675	573,977	491,004	407,693
	70,000	893,671	811,507	729,164	646,675	563,977	481,004	397,693
	80,000	883,671	801,507	719,164	636,675	553,977	471,004	387,693
	90,000	873,671	791,507	709,164	626,675	543,977	461,004	377,693
	100,000	863,671	781,507	699,164	616,675	533,977	451,004	367,693
	110,000	853,671	771,507	689,164	606,675	523,977	441,004	357,693
	120,000	843,671	761,507	679,164	596,675	513,977	431,004	347,693
	130,000	833,671	751,507	669,164	586,675	503,977	421,004	337,693
	140,000	823,671	741,507	659,164	576,675	493,977	411,004	327,693
	150,000	813,671	731,507	649,164	566,675	483,977	401,004	317,693
	160,000	803,671	721,507	639,164	556,675	473,977	391,004	307,693
	170,000	793,671	711,507	629,164	546,675	463,977	381,004	297,693
	180,000	783,671	701,507	619,164	536,675	453,977	371,004	287,693
	190,000	773,671	691,507	609,164	526,675	443,977	361,004	277,693
	200,000	763,671	681,507	599,164	516,675	433,977	351,004	267,693

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	307,693	5%	10%	15%	20%	25%	30%	35%
Density (dph) 45.00	15	129,065	101,549	73,977	46,326	18,576	(9,296)	(37,343)
	18	185,302	153,244	121,119	88,898	56,573	24,100	(8,539)
	20	241,539	204,929	168,226	131,437	94,536	57,492	20,234
	23	297,776	256,590	215,331	173,977	132,496	90,855	49,006
	25	353,995	308,251	262,436	216,516	170,455	124,217	77,766
	28	410,205	359,911	309,541	259,056	208,415	157,580	106,511
	30	466,414	411,572	356,646	301,578	246,359	190,942	135,255
	33	522,624	463,233	403,742	344,094	284,295	224,297	163,999
	35	578,833	514,894	450,826	386,611	322,231	257,639	192,743
	38	635,043	566,554	497,911	429,127	360,168	290,980	221,487
	40	691,252	618,215	544,995	471,643	398,104	324,321	250,232
	43	747,462	669,863	592,080	514,159	436,040	357,663	278,965
	45	803,671	721,507	639,164	556,675	473,977	391,004	307,693
	48	859,881	773,152	686,249	599,192	511,913	424,346	336,421
	50	916,090	824,797	733,333	641,708	549,850	457,687	365,149
	53	972,300	876,442	780,418	684,224	587,786	491,029	393,876

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

Lower Quartile BCIS : 35% AH

No Units:

150

Greenfield/Brownfield:

Brownfield

TABLE 5

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	307,693	5%	10%	15%	20%	25%	30%	35%
Build Cost 100% (105% = 5% increase)	80%	1,380,654	1,293,441	1,206,116	1,118,792	1,031,377	943,896	856,305
	85%	1,236,813	1,150,903	1,064,897	978,833	892,683	806,444	720,038
	90%	1,092,749	1,008,102	923,378	838,560	753,613	668,550	583,307
	95%	948,392	864,994	781,491	697,900	614,099	530,122	445,907
	100%	803,671	721,507	639,164	556,675	473,977	391,004	307,693
	105%	658,517	577,499	496,300	414,855	333,102	250,974	168,321
	110%	512,856	432,896	352,696	272,166	191,197	109,671	27,360
	115%	366,458	287,480	208,160	128,324	47,886	(33,408)	(115,972)
	120%	219,196	141,039	62,316	(17,079)	(97,435)	(183,665)	(280,485)

TABLE 6

		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	307,693	75%	80%	85%	90%	95%	100%	105%
Market Values 100% (105% = 5% increase)	80%	422,021	284,066	144,877	3,818	(140,502)	(309,669)	(482,515)
	85%	565,133	427,993	289,972	150,738	9,715	(134,189)	(302,373)
	90%	707,801	571,196	433,964	295,879	156,599	15,605	(128,064)
	95%	850,123	713,919	577,259	439,936	301,786	162,460	21,483
	100%	992,188	856,305	720,038	583,307	445,907	307,693	168,321
	105%	1,134,081	998,438	862,486	726,157	589,321	451,879	313,600
	110%	1,275,874	1,140,406	1,004,688	868,667	732,271	595,335	457,829
	115%	1,417,480	1,282,200	1,146,711	1,010,938	874,844	738,334	601,349
	120%	1,559,074	1,423,888	1,288,525	1,152,961	1,017,129	880,963	744,397

TABLE 7

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	307,693	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £0.00 £ per dwelling	£0	803,671	721,507	639,164	556,675	473,977	391,004	307,693
	£2,000	767,288	685,053	602,681	520,087	437,276	354,174	270,647
	£4,000	730,904	648,570	566,100	483,430	400,495	317,232	233,538
	£6,000	694,460	612,087	529,512	446,730	363,677	280,242	196,327
	£8,000	657,977	575,525	492,883	409,987	326,770	243,169	158,995
	£10,000	621,494	538,937	456,183	373,168	289,827	205,990	121,558
	£12,000	584,950	502,337	419,478	336,309	252,765	168,734	83,997
	£14,000	548,362	465,636	382,659	299,366	215,653	131,381	46,296
	£16,000	511,773	428,936	345,841	262,360	178,442	93,880	8,435

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1

Appraisal Ref: **R** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **250**
 Notes/Comments: **Lower Quartile BCIS : 35% AH - Flatted Scheme** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			250 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0%						
Open Market Sale (OMS)			80.0% Rented						
Affordable Rent:			0.0%						
Social Rent:			0.0%						
First Homes:			7.0% % of total (>10% First Homes PPG 023)						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100%		100.0%				
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	5.0%	3.5	0.0%	0.0	1%	3.5	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	30.0%	48.8	75.0%	52.5	30.0%	5.3	42%	106.5	
2 bed Flat	70.0%	113.8	25.0%	17.5	70.0%	12.3	57%	143.5	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	162.5		70.0	100%	17.5	100%	253.5	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm) (sqft)				
1 bed House	45.0	484			45.0	484			
2 bed House	75.0	807			75.0	807			
3 bed House	93.0	1,001		0.0	93.0	1,001			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	155.0	1,668		0.0	155.0	1,668			
1 bed Flat	45.0	484	85.0%		52.9	570			
2 bed Flat	60.0	646	85.0%		70.6	760			
3 bed Flat	0.0	0	85.0%		0.0	0			
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm) (sqft)				
1 bed House	45.0	484			45.0	484			
2 bed House	75.0	807			75.0	807			
3 bed House	93.0	1,001		0.0	93.0	1,001			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	155.0	1,668		0.0	155.0	1,668			
1 bed Flat	45.0	484	85.0%		52.9	570			
2 bed Flat	60.0	646	85.0%		70.6	760			
3 bed Flat	0.0	0	85.0%		0.0	0			
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm) (sqft)				
1 bed House	0	0	0	0	0	0			
2 bed House	0	0	0	0	0	0			
3 bed House	0	0	0	0	0	0			
4 bed House	0	0	403	4,332	403	4,332			
5 bed House	0	0	0	0	0	0			
1 bed Flat	2,581	27,780	3,057	32,909	5,638	60,689			
2 bed Flat	8,029	86,428	2,100	22,604	10,129	109,032			
3 bed Flat	0	0	0	0	0	0			
	10,610	114,208	5,560	59,846	16,170	174,054			
AH % by floor area:			34.38% AH % by floor area (difference due to mix)						
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	168,000	3,733	347	3,733	347	0			
2 bed House	252,000	3,360	312	3,360	312	0			
3 bed House	375,000	4,032	375	4,032	375	0			
4 bed House	480,000	4,174	388	4,174	388	1,680,000			
5 bed House	600,000	3,871	360	3,871	360	0			
1 bed Flat	168,000	3,733	347	3,173	295	17,892,000			
2 bed Flat	210,000	3,500	325	2,975	276	30,135,000			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						49,707,000			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed House	138,600	55%	0	0%	0	0%	151,200	60%	
3 bed House	206,250	55%	0	0%	0	0%	225,000	60%	
4 bed House	264,000	55%	0	0%	0	0%	288,000	60%	
5 bed House	330,000	55%	0	0%	0	0%	360,000	60%	
1 bed Flat	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed Flat	115,500	55%	0	0%	0	0%	126,000	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 250

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Flatted Scheme

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	168,000	-
2 bed House	0.0	@	252,000	-
3 bed House	0.0	@	375,000	-
4 bed House	0.0	@	480,000	-
5 bed House	0.0	@	600,000	-
1 bed Flat	48.8	@	168,000	8,190,000
2 bed Flat	113.8	@	210,000	23,887,500
3 bed Flat	0.0	@	0	-
	162.5			32,077,500
Affordable Rent GDV -				
1 bed House	0.0	@	92,400	-
2 bed House	0.0	@	138,600	-
3 bed House	0.0	@	206,250	-
4 bed House	3.5	@	264,000	924,000
5 bed House	0.0	@	330,000	-
1 bed Flat	52.5	@	92,400	4,851,000
2 bed Flat	17.5	@	115,500	2,021,250
3 bed Flat	0.0	@	0	-
	73.5			7,796,250
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.0	@	100,800	-
2 bed House	0.0	@	151,200	-
3 bed House	0.0	@	225,000	-
4 bed House	0.0	@	288,000	-
5 bed House	0.0	@	360,000	-
1 bed Flat	5.3	@	100,800	529,200
2 bed Flat	12.3	@	126,000	1,543,500
3 bed Flat	0.0	@	0	-
	17.5	91.0		2,072,700
Sub-total GDV Residential				
	254			41,946,450
AH on-site cost analysis:				
	480 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH)	7,760,550
			31,042 £ per unit (total units)	
Grant				
	91	AH units @	0 per unit	-
Total GDV				
				41,946,450

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:
Site Typology: Location / Value Zone: **Higher** No Units: **250**
Notes/Comments: **Lower Quartile BCIS : 35% AH - Flatted Scheme** Greenfield/Brownfield: **Brownfield**

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25				(capped at £411,885)	69,185	£		(69,185)
Planning Application Professional Fees, Surveys and reports					(capped at £1,500,000)	207,555	£		(207,555)
CIL (Mkrt only inc. garages)	Max	10,610	sqm		0.00	£ psm			-
CIL analysis:		0.00%	% of GDV		0	£ per unit (total units)			
Site Specific S106	Year 1				0				-
(strategic site cashflow yrs 1-15)	Year 2				0				-
	Year 3				0				-
	Year 4				0				-
	Year 5				0				-
	Year 6				0				-
	Year 7				0				-
	Year 8				0				-
	Year 9				0				-
	Year 10				0				-
	Year 11				0				-
	Year 12				0				-
	Year 13				0				-
	Year 14				0				-
	Year 15				0				-
Site Specific S106 (installment)		250	units @		6,600	per unit			(1,650,000)
S106 analysis:		1,980,000	£ per ha	3.93%	6,600	£ per unit (total units)			
Sub-total								(1,650,000)	
AH Commuted Sum		16,170	sqm (total)		0	£ psm			-
Comm. Sum analysis:		0.00%	% of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation		0.83	ha @		110,000	£ per ha (if brownfield)			(91,667)
Site Infrastructure costs	Year 1				0				-
(strategic site cashflow yrs 1-15)	Year 2				0				-
	Year 3				0				-
	Year 4				0				-
	Year 5				0				-
	Year 6				0				-
	Year 7				0				-
	Year 8				0				-
	Year 9				0				-
	Year 10				0				-
	Year 11				0				-
	Year 12				0				-
	Year 13				0				-
	Year 14				0				-
	Year 15				0				-
Years 1-15		250	units @		6,600	per unit			(1,650,000)
Sub-total								(1,650,000)	
Infra. Costs analysis:		1,980,000	£ per ha	3.93%	6,600	£ per unit (total units)			
1 bed House		-	sqm @		1,510	psm			-
2 bed House		-	sqm @		1,510	psm			-
3 bed House (EXC. garage)		-	sqm @		1,510	psm			-
4 bed House (EXC. garage)		403	sqm @		1,510	psm			(607,775)
5 bed House (EXC. garage)		-	sqm @		1,510	psm			-
1 bed Flat		5,638	sqm @		1,685	psm			(9,500,426)
2 bed Flat		10,129	sqm @		1,685	psm			(17,068,059)
3 bed Flat		-	sqm @		1,685	psm			-
Garages for 3B House		-	0 sqm @		500	psm			-
Garages for 4B House	3.5	-	0 sqm @		500	psm			-
Garages for 5B House	-	-	0 sqm @		500	psm			-
Total GIA check:		16,170	£ per garage		£0				
External works		27,176,260	@		5.0%				(1,358,813)
Ext. Works analysis:					5,435	£ per unit (total units)			
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs		250	units @		0	£ per unit			-
M4(3) Category 3 Housing	OMS units	162.5	units @	10%	10,000	£ per unit			(71,750)
M4(3) Category 3 Housing	Aff units	87.5	units @	30%	10,000	£ per unit			(162,500)
Part L/FHS - Houses		250	units @		5,000	£ per unit			(1,250,000)
Part L/FHS - Flats		0	units @		2,260	£ per unit			(791)
Part L/FHS analysis:					4.6%	% of BCIS costs			
Water Efficiency		250	units @		9	£ per unit			(2,250)
Carbon / Energy Reduction		250	units @		0	£ per unit			-
Sub-total								(1,749,791)	
Policy Costs analysis: (design costs only)					6,999	£ per unit (total units)			
					6.4%	% of BCIS costs			
Contingency (on construction)		32,026,531	@		5.0%				(1,601,327)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **250**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Flatted Scheme

Professional Fees	32,026,531	@	8.0%		(2,562,122)
Disposal Costs -					
OMS Marketing and Promotion	32,077,500	OMS @	1.50%	1,925 £ per unit	(481,163)
Residential Sales Agent Costs	32,077,500	OMS @	1.50%	1,925 £ per unit	(481,163)
Residential Sales Legal Costs	32,077,500	OMS @	0.50%	642 £ per unit	(160,388)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				4,531 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR		0.565% pcm	(1,279,323)
Developers Profit -					
Profit on OMS	32,077,500		20.00%		(6,415,500)
Margin on AH	9,868,950		6.00%	on AH values	(592,137)
Profit analysis:	41,946,450			16.71% blended GDV	(7,007,637)
	40,528,756			17.29% on costs	(7,007,637)
TOTAL COSTS					(47,536,393)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(5,589,943)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(5,589,943)
RLV analysis:	(22,360) £ per plot		(6,707,931) £ per ha (net)	(2,714,663) £ per acre (net)	
			(5,030,948) £ per ha (gross)	(2,035,997) £ per acre (gross)	
				-13.33% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)					
Residential Density	300.0	dph (net)			
Site Area (net)	0.83	ha (net)	2.06	acres (net)	
Net to Gross ratio	75%				
Site Area (gross)	1.11	ha (gross)	2.75	acres (gross)	
Density analysis:	19,404	sqm/ha (net)	84,526	sqft/ac (net)	
	225	dph (gross)			
Benchmark Land Value (net)	1,318 £ per plot	395,360 £ per ha (net)	160,000	£ per acre (net)	329,467
BLV analysis:		296,520 £ per ha (gross)	120,000	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)		(7,103,291) £ per ha (net)	(2,874,663) £ per acre (net)		(5,919,409)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

250

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Flatted Scheme

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
	£0	(285,485)	(554,919)	(824,453)	(1,096,112)	(1,367,771)	(1,639,429)	(1,911,088)
	£1,000	(429,888)	(699,322)	(969,673)	(1,241,331)	(1,512,990)	(1,784,649)	(2,056,835)
Site Specific S106 Contributions	£2,000	(574,291)	(843,725)	(1,114,892)	(1,386,551)	(1,658,210)	(1,929,868)	(2,202,876)
£6,600	£3,000	(718,694)	(988,453)	(1,260,112)	(1,531,770)	(1,803,429)	(2,075,088)	(2,348,916)
	£4,000	(863,097)	(1,133,673)	(1,405,331)	(1,676,990)	(1,948,649)	(2,220,839)	(2,494,957)
	£5,000	(1,007,500)	(1,278,892)	(1,550,551)	(1,822,210)	(2,093,868)	(2,366,880)	(2,640,998)
	£6,000	(1,152,453)	(1,424,112)	(1,695,770)	(1,967,429)	(2,239,088)	(2,512,920)	(2,787,038)
	£7,000	(1,297,673)	(1,569,331)	(1,840,990)	(2,112,649)	(2,384,843)	(2,658,961)	(2,933,079)
	£8,000	(1,442,892)	(1,714,551)	(1,986,209)	(2,257,868)	(2,530,884)	(2,805,002)	(3,079,119)
	£9,000	(1,588,112)	(1,859,770)	(2,131,429)	(2,403,088)	(2,676,925)	(2,951,042)	(3,225,160)
	£10,000	(1,733,331)	(2,004,990)	(2,276,649)	(2,548,847)	(2,822,965)	(3,097,083)	(3,371,201)
	£11,000	(1,878,551)	(2,150,209)	(2,421,868)	(2,694,888)	(2,969,006)	(3,243,124)	(3,517,241)
	£12,000	(2,023,770)	(2,295,429)	(2,567,088)	(2,840,929)	(3,115,046)	(3,389,164)	(3,663,281)
	£13,000	(2,168,990)	(2,440,648)	(2,712,852)	(2,986,969)	(3,261,087)	(3,535,205)	(3,809,321)
	£14,000	(2,314,209)	(2,585,868)	(2,858,892)	(3,133,010)	(3,407,128)	(3,681,245)	(3,955,361)
	£15,000	(2,459,429)	(2,731,088)	(3,004,933)	(3,279,051)	(3,553,168)	(3,825,284)	(4,101,401)
	£16,000	(2,604,648)	(2,876,856)	(3,150,973)	(3,425,091)	(3,699,209)	(3,975,324)	(4,247,441)
	£17,000	(2,749,868)	(3,022,896)	(3,297,014)	(3,571,132)	(3,845,250)	(4,121,364)	(4,393,481)
	£18,000	(2,895,087)	(3,168,937)	(3,443,055)	(3,717,172)	(3,991,290)	(4,267,404)	(4,539,521)
	£19,000	(3,040,860)	(3,314,977)	(3,589,095)	(3,863,213)	(4,137,329)	(4,413,444)	(4,685,561)
	£20,000	(3,186,900)	(3,461,018)	(3,735,136)	(4,009,254)	(4,283,369)	(4,559,484)	(4,831,601)
	£21,000	(3,332,941)	(3,607,059)	(3,881,176)	(4,155,294)	(4,429,409)	(4,705,524)	(4,977,641)
	£22,000	(3,478,982)	(3,753,099)	(4,027,217)	(4,301,334)	(4,575,449)	(4,851,564)	(5,123,681)
	£23,000	(3,625,022)	(3,899,140)	(4,173,258)	(4,447,374)	(4,721,489)	(5,007,604)	(5,269,721)
	£24,000	(3,771,063)	(4,045,181)	(4,319,298)	(4,593,414)	(4,867,529)	(5,153,644)	(5,415,761)
	£25,000	(3,917,103)	(4,191,221)	(4,465,339)	(4,739,454)	(5,013,569)	(5,300,689)	(5,561,801)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
	15%	(106,198)	(432,773)	(764,347)	(1,095,921)	(1,427,702)	(1,761,735)	(2,095,767)
	16%	(328,877)	(648,467)	(968,058)	(1,287,649)	(1,607,447)	(1,929,497)	(2,251,546)
Profit	17%	(556,554)	(864,161)	(1,171,769)	(1,479,377)	(1,787,192)	(2,097,259)	(2,407,325)
20%	18%	(784,231)	(1,079,855)	(1,375,480)	(1,671,105)	(1,966,937)	(2,265,021)	(2,563,105)
	19%	(1,011,908)	(1,295,549)	(1,579,191)	(1,862,833)	(2,146,682)	(2,432,783)	(2,718,884)
	20%	(1,239,585)	(1,511,244)	(1,782,902)	(2,054,561)	(2,326,427)	(2,600,545)	(2,874,663)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

No Units: **250**

Location / Value Zone:

Higher

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Flatted Scheme

TABLE 3		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 160,000	50,000	(1,129,585)	(1,401,244)	(1,672,902)	(1,944,561)	(2,216,427)	(2,490,545)	(2,764,663)
	60,000	(1,139,585)	(1,411,244)	(1,682,902)	(1,954,561)	(2,226,427)	(2,500,545)	(2,774,663)
	70,000	(1,149,585)	(1,421,244)	(1,692,902)	(1,964,561)	(2,236,427)	(2,510,545)	(2,784,663)
	80,000	(1,159,585)	(1,431,244)	(1,702,902)	(1,974,561)	(2,246,427)	(2,520,545)	(2,794,663)
	90,000	(1,169,585)	(1,441,244)	(1,712,902)	(1,984,561)	(2,256,427)	(2,530,545)	(2,804,663)
	100,000	(1,179,585)	(1,451,244)	(1,722,902)	(1,994,561)	(2,266,427)	(2,540,545)	(2,814,663)
	110,000	(1,189,585)	(1,461,244)	(1,732,902)	(2,004,561)	(2,276,427)	(2,550,545)	(2,824,663)
	120,000	(1,199,585)	(1,471,244)	(1,742,902)	(2,014,561)	(2,286,427)	(2,560,545)	(2,834,663)
	130,000	(1,209,585)	(1,481,244)	(1,752,902)	(2,024,561)	(2,296,427)	(2,570,545)	(2,844,663)
	140,000	(1,219,585)	(1,491,244)	(1,762,902)	(2,034,561)	(2,306,427)	(2,580,545)	(2,854,663)
	150,000	(1,229,585)	(1,501,244)	(1,772,902)	(2,044,561)	(2,316,427)	(2,590,545)	(2,864,663)
	160,000	(1,239,585)	(1,511,244)	(1,782,902)	(2,054,561)	(2,326,427)	(2,600,545)	(2,874,663)
	170,000	(1,249,585)	(1,521,244)	(1,792,902)	(2,064,561)	(2,336,427)	(2,610,545)	(2,884,663)
	180,000	(1,259,585)	(1,531,244)	(1,802,902)	(2,074,561)	(2,346,427)	(2,620,545)	(2,894,663)
	190,000	(1,269,585)	(1,541,244)	(1,812,902)	(2,084,561)	(2,356,427)	(2,630,545)	(2,904,663)
	200,000	(1,279,585)	(1,551,244)	(1,822,902)	(2,094,561)	(2,366,427)	(2,640,545)	(2,914,663)
TABLE 4		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
Density (dph) 300.00	15	(267,021)	(280,604)	(294,251)	(307,957)	(321,663)	(335,369)	(466,112)
	18	(275,552)	(291,399)	(307,268)	(323,259)	(339,249)	(355,239)	(449,799)
	20	(284,084)	(302,194)	(320,305)	(338,560)	(356,834)	(375,109)	(433,486)
	23	(292,615)	(312,989)	(333,364)	(353,861)	(374,420)	(394,979)	(417,203)
	25	(301,146)	(323,784)	(346,423)	(369,163)	(392,006)	(414,849)	(437,692)
	28	(309,677)	(334,579)	(359,481)	(384,464)	(409,591)	(434,719)	(459,846)
	30	(318,209)	(345,375)	(372,540)	(399,765)	(427,177)	(454,589)	(482,001)
	33	(326,740)	(356,170)	(385,599)	(415,067)	(444,763)	(474,459)	(504,155)
	35	(335,271)	(366,965)	(398,658)	(430,368)	(462,348)	(494,329)	(526,309)
	38	(343,802)	(377,760)	(411,717)	(445,674)	(479,934)	(514,199)	(548,463)
	40	(352,334)	(388,555)	(424,776)	(460,997)	(497,520)	(534,069)	(570,618)
	43	(360,865)	(399,350)	(437,835)	(476,320)	(515,105)	(553,939)	(592,772)
	45	(369,396)	(410,145)	(450,894)	(491,643)	(532,691)	(573,809)	(614,926)
	48	(377,927)	(420,940)	(463,953)	(506,965)	(550,277)	(593,678)	(637,080)
	50	(386,459)	(431,735)	(477,012)	(522,288)	(567,862)	(613,548)	(659,235)
	53	(394,990)	(442,530)	(490,071)	(537,611)	(585,448)	(633,418)	(681,389)

250911_Isle of Wight Residential Appraisal_M_R_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

250

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Flatted Scheme

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
		1,794,268	1,558,015	1,321,762	1,085,509	848,420	610,417	372,414
		1,076,260	841,235	604,828	368,061	131,293	(107,716)	(376,950)
Build Cost		356,294	120,763	(117,549)	(385,896)	(658,749)	(933,281)	(1,207,812)
100%		(403,784)	(674,647)	(946,294)	(1,219,389)	(1,492,484)	(1,765,579)	(2,039,103)
(105% = 5% increase)		1,239,585	(1,511,244)	(1,782,902)	(2,054,561)	(2,326,427)	(2,600,545)	(2,874,663)
		(2,079,066)	(2,349,288)	(2,619,530)	(2,892,203)	(3,164,876)	(3,437,549)	(4,618,231)
		(2,918,547)	(3,189,639)	(3,460,868)	(3,732,097)	(4,266,320)	(7,448,127)	(10,630,031)
		(3,762,638)	(4,032,422)	(4,302,206)	(7,127,301)	(10,298,811)	(13,470,321)	(16,641,830)
		(4,606,866)	(6,848,049)	(10,009,165)	(13,170,281)	(16,331,398)	(19,492,514)	(22,653,630)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	75%	80%	85%	90%	95%	100%	105%
		(1,178,467)	(2,011,757)	(2,847,317)	(8,282,271)	(14,294,071)	(20,305,871)	(26,317,670)
		(562,657)	(1,393,519)	(2,227,483)	(3,063,043)	(8,869,211)	(14,881,011)	(20,892,811)
Market Values		28,029	(777,708)	(1,608,571)	(2,443,210)	(3,444,462)	(9,456,151)	(15,467,951)
100%		557,549	(162,549)	(992,760)	(1,823,623)	(2,658,936)	(4,031,291)	(10,043,091)
(105% = 5% increase)		1,087,069	372,414	(376,950)	(1,207,812)	(2,039,103)	(2,874,663)	(4,618,231)
		1,614,074	901,934	187,279	(592,002)	(1,422,864)	(2,254,829)	(3,090,389)
		2,140,760	1,430,123	716,799	2,144	(807,054)	(1,637,916)	(2,470,556)
		2,667,447	1,956,810	1,246,173	531,664	(192,474)	(1,022,106)	(1,852,968)
		3,192,433	2,483,496	1,772,859	1,061,184	346,529	(406,503)	(1,237,158)

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,874,663)	5%	10%	15%	20%	25%	30%	35%
£0		(1,239,585)	(1,511,244)	(1,782,902)	(2,054,561)	(2,326,427)	(2,600,545)	(2,874,663)
£2,000		(1,530,757)	(1,802,416)	(2,074,074)	(2,345,733)	(2,619,246)	(2,893,363)	(3,167,481)
£4,000		(1,821,929)	(2,093,588)	(2,365,247)	(2,637,947)	(2,912,064)	(3,186,182)	(3,460,300)
£6,000		(2,113,102)	(2,384,760)	(2,656,647)	(2,930,765)	(3,204,883)	(3,479,001)	(4,926,863)
£8,000		(2,404,274)	(2,675,933)	(2,949,466)	(3,223,584)	(3,497,701)	(3,831,345)	(7,033,674)
£10,000		(2,695,446)	(2,968,167)	(3,242,285)	(3,516,402)	(3,790,520)	(5,937,794)	(9,140,485)
£12,000		(2,986,868)	(3,260,985)	(3,535,103)	(3,809,221)	(4,841,915)	(8,044,605)	(11,247,295)
£14,000		(3,279,686)	(3,553,804)	(3,827,922)	(4,102,040)	(6,948,725)	(10,151,416)	(13,354,106)
£16,000		(3,572,505)	(3,846,623)	(4,120,740)	(5,852,846)	(9,055,536)	(12,258,226)	(15,460,917)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

250911_Isle of Wight Residential Appraisal_M_R_v1 - Summary Table

Appraisal Ref:	M	N	O	P	Q	R
No Units:	10	20	25	100	150	250
Location / Value Zone:	Higher	Higher	Higher	Higher	Higher	Higher
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Greenfield	Brownfield	Brownfield
Notes/Comments:	Median BCIS : 35% AH - Adjacent to Rural Service Centre	Median BCIS : 35% AH	Median BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH	Lower Quartile BCIS : 35% AH - Flatted Scheme
Total GDV (£)	3,133,800	6,267,600	7,834,500	28,676,250	42,864,435	41,946,450
Policy Assumptions	-	-	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	17.42%	17.42%	17.42%	17.42%	17.46%	16.71%
Developers Profit (% on costs)	22.74%	22.36%	23.09%	25.04%	24.20%	17.29%
Developers Profit Total (£)	545,886	1,091,771	1,364,714	4,996,575	7,485,866	7,007,637
Land Value KPI's	-	-	-	-	-	-
RLV (£/acre (net))	172,560	213,117	200,139	458,235	467,693	(2,714,663)
RLV (£/ha (net))	426,395	526,613	494,543	1,132,298	1,155,669	(6,707,931)
RLV (% of GDV)	5.44%	4.20%	6.31%	11.28%	8.99%	-13.33%
RLV Total (£)	170,558	263,306	494,543	3,235,136	3,852,231	(5,589,943)
BLV (£/acre (net))	125,000	150,000	185,000	225,000	160,000	160,000
BLV (£/ha (net))	308,875	370,650	457,135	555,975	395,360	395,360
BLV Total (£)	123,550	185,325	457,135	1,588,500	1,317,867	329,467
Surplus/Deficit (£/acre) [RLV-BLV]	47,560	63,117	15,139	233,235	307,693	(2,874,663)
Surplus/Deficit (£/ha)	117,520	155,963	37,408	576,323	760,309	(7,103,291)
Surplus/Deficit Total (£)	47,008	77,981	37,408	1,646,636	2,534,364	(5,919,409)
Viability	Viable	Viable	Viable	Viable	Viable	Not Viable

251007_Isle of Wight Retirement Appraisal_V_Y_v1 - Version Notes

Date	Version	Comments	Updated by who
251007	v1	For Issue	AS

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Appraisal Ref: **V** (see Typologies Matrix)
 Scheme Typology: **No Units: 50**
 Site Typology: **Location / Value Zone: Island Wide Greenfield/Brownfield: Greenfield**
 Notes/Comments: **Lower Quartile BCIS : 35% AH - Sheltered Housing**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			50 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			Open Market Sale (OMS)		Affordable Rent:		80.0%		80.0% % Rented
			Social Rent:				0.0%		
			First Homes:				0.0%		
			Other Intermediate (LCHO/Sub-Market etc.):				20.0%		
			100%		100.0%		7.0% % of total (>10% First Homes PPG 023)		
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	35.0%	11.4	75.0%	10.5	30.0%	1.1	46%	22.9	
2 bed Flat	65.0%	21.1	25.0%	3.5	70.0%	2.5	54%	27.1	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	32.5		14.0	100%	3.5	100%	50.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	50.0	538		85.0%			58.8	633	
2 bed Flat	80.0	861		85.0%			94.1	1,013	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	50.0	538		85.0%			58.8	633	
2 bed Flat	80.0	861		85.0%			94.1	1,013	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)		Total GIA (all units) (sqm)	(sqft)	
1 bed House	0	0		0	0		0	0	
2 bed House	0	0		0	0		0	0	
3 bed House	0	0		0	0		0	0	
4 bed House	0	0		0	0		0	0	
5 bed House	0	0		0	0		0	0	
1 bed Flat	669	7,202		679	7,313		1,349	14,515	
2 bed Flat	1,988	21,401		560	6,028		2,548	27,429	
3 bed Flat	0	0		0	0		0	0	
	2,657	28,604		1,239	13,341		3,897	41,944	
AH % by floor area:			31.81% AH % by floor area (difference due to mix)						
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	168,000	3,733	347	3,733	347		0		
2 bed House	252,000	3,360	312	3,360	312		0		
3 bed House	375,000	4,032	375	4,032	375		0		
4 bed House	480,000	4,174	388	4,174	388		0		
5 bed House	600,000	3,871	360	3,871	360		0		
1 bed Flat	200,000	4,000	372	3,400	316		4,585,000		
2 bed Flat	242,000	3,025	281	2,571	239		6,552,150		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							11,137,150		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed House	138,600	55%	0	0%	0	0%	151,200	60%	
3 bed House	206,250	55%	0	0%	0	0%	225,000	60%	
4 bed House	264,000	55%	0	0%	0	0%	288,000	60%	
5 bed House	330,000	55%	0	0%	0	0%	360,000	60%	
1 bed Flat	110,000	55%	0	0%	0	0%	120,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

GROSS DEVELOPMENT VALUE					
OMS GDV - (part houses due to % mix)					
1 bed House	0.0	@	168,000	-	
2 bed House	0.0	@	252,000	-	
3 bed House	0.0	@	375,000	-	
4 bed House	0.0	@	480,000	-	
5 bed House	0.0	@	600,000	-	
1 bed Flat	11.4	@	200,000	2,275,000	
2 bed Flat	21.1	@	242,000	5,112,250	
3 bed Flat	0.0	@	0	-	
	32.5				7,387,250
Affordable Rent GDV -					
1 bed House	0.0	@	92,400	-	
2 bed House	0.0	@	138,600	-	
3 bed House	0.0	@	206,250	-	
4 bed House	0.0	@	264,000	-	
5 bed House	0.0	@	330,000	-	
1 bed Flat	10.5	@	110,000	1,155,000	
2 bed Flat	3.5	@	133,100	465,850	
3 bed Flat	0.0	@	0	-	
	14.0				1,620,850
Social Rent GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
First Homes GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
Other Intermediate GDV -					
1 bed House	0.0	@	100,800	-	
2 bed House	0.0	@	151,200	-	
3 bed House	0.0	@	225,000	-	
4 bed House	0.0	@	288,000	-	
5 bed House	0.0	@	360,000	-	
1 bed Flat	1.1	@	120,000	126,000	
2 bed Flat	2.5	@	145,200	355,740	
3 bed Flat	0.0	@	0	-	
	3.5	17.5			481,740
Sub-total GDV Residential	50				9,489,840
AH on-site cost analysis:					
			EMV (no AH) less £GDV (inc. AH)		1,647,310
		423 £ psm (total GIA sqm)	32,946 £ per unit (total units)		
Grant	18	AH units @	0 per unit		-
Total GDV					9,489,840

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:
Site Typology: Location / Value Zone: **Island Wide** No Units: **50** Greenfield/Brownfield: **Greenfield**
Notes/Comments: **Lower Quartile BCIS : 35% AH - Sheltered Housing**

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25				(capped at £411,885)	31,750 £			(31,750)
Planning Application Professional Fees, Surveys and reports					(capped at £1,500,000)	127,000 £			(127,000)
CIL (Mkrt only inc. garages)	Max		2,657 sqm		0.00 £ psm				-
CIL analysis:			0.00% % of GDV		0 £ per unit (total units)				
Site Specific S106	Year 1								-
(strategic site cashflow yrs 1-15)	Year 2								-
	Year 3								-
	Year 4								-
	Year 5								-
	Year 6								-
	Year 7								-
	Year 8								-
	Year 9								-
	Year 10								-
	Year 11								-
	Year 12								-
	Year 13								-
	Year 14								-
	Year 15								-
Site Specific S106 (installment)			50 units @		6,600 per unit				(330,000)
Sub-total								(330,000)	
S106 analysis:		495,000 £ per ha	3.48% % of GDV		6,600 £ per unit (total units)				
AH Commuted Sum			3,897 sqm (total)		0 £ psm				-
Comm. Sum analysis:			0.00% % of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation			0.67 ha @		0 £ per ha (if brownfield)				-
Site Infrastructure costs	Year 1		0						-
(strategic site cashflow yrs 1-15)	Year 2		0						-
	Year 3		0						-
	Year 4		0						-
	Year 5		0						-
	Year 6		0						-
	Year 7		0						-
	Year 8		0						-
	Year 9		0						-
	Year 10		0						-
	Year 11		0						-
	Year 12		0						-
	Year 13		0						-
	Year 14		0						-
	Year 15		0						-
	Years 1-15		50 units @		6,600 per unit				(330,000)
Sub-total								(330,000)	
Infra. Costs analysis:		495,000 £ per ha	3.48% % of GDV		6,600 £ per unit (total units)				
1 bed House			- sqm @		1,510 psm				-
2 bed House			- sqm @		1,510 psm				-
3 bed House (EXC. garage)			- sqm @		1,510 psm				-
4 bed House (EXC. garage)			- sqm @		1,510 psm				-
5 bed House (EXC. garage)			- sqm @		1,510 psm				-
1 bed Flat			1,349 sqm @		1,733 psm				(2,337,001)
2 bed Flat			2,548 sqm @		1,733 psm				(4,416,092)
3 bed Flat			- sqm @		1,733 psm				-
Garages for 3B House	-	-	0 sqm @		500 psm				-
Garages for 4B House	-	-	0 sqm @		500 psm				-
Garages for 5B House	-	-	0 sqm @		500 psm				-
Total GIA check:			3,897 £ per garage		£0				
External works			6,753,093 @		5.0%				(337,655)
Ext. Works analysis:					6,753 £ per unit (total units)				
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs			50 units @		0 £ per unit				-
M4(3) Category 3 Housing	OMS units	32.5 units @			1,011 £ per unit				(50,550)
M4(3) Category 3 Housing	Aff units	17.5 units @		10%	10,000 £ per unit				(32,500)
Part L/FHS - Houses		50 units @		30%	10,000 £ per unit				(52,500)
Part L/FHS - Flats		0 units @			5,000 £ per unit				(250,000)
Part L/FHS analysis:					2,260 £ per unit				(791)
Water Efficiency			50 units @		3.7% % of BCIS costs				
Sub-total					9 £ per unit				(450)
Policy Costs analysis: (design costs only)					7,736 £ per unit (total units)				(386,791)
					5.7% % of BCIS costs				
Contingency (on construction)			7,807,539 @		3.0%				(234,226)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

Professional Fees	7,807,539	@	8.0%		(624,603)
Disposal Costs -					
OMS Marketing and Promotion	7,387,250	OMS @	1.50%	2,216 £ per unit	(110,809)
Residential Sales Agent Costs	7,387,250	OMS @	1.50%	2,216 £ per unit	(110,809)
Residential Sales Legal Costs	7,387,250	OMS @	0.50%	739 £ per unit	(36,936)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				5,371 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR		0.565% pcm	(2,000,645)
Developers Profit -					
Profit on OMS	7,387,250		20.00%		(1,477,450)
Margin on AH	2,102,590		6.00% on AH values		(126,155)
Profit analysis:	9,489,840		16.90% blended GDV	(1,603,605)	
	11,424,317		14.04% on costs	(1,603,605)	
TOTAL COSTS					(13,027,923)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(3,538,083)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(3,538,083)
RLV analysis:	(70,762) £ per plot	(5,307,124) £ per ha (net)	(2,147,764) £ per acre (net)		
		(4,245,699) £ per ha (gross)	(1,718,211) £ per acre (gross)		
			-37.28% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	75.0	dph (net)			
Site Area (net)	0.67	ha (net)	1.65	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.83	ha (gross)	2.06	acres (gross)	
Density analysis:	5,845	sqm/ha (net)	25,462	sqft/ac (net)	
	60	dph (gross)			
Benchmark Land Value (net)	4,942 £ per plot	370,650 £ per ha (net)	150,000 £ per acre (net)		247,100
BLV analysis:		296,520 £ per ha (gross)	120,000 £ per acre (gross)		

BALANCE					
Surplus/(Deficit)		(5,677,774) £ per ha (net)	(2,297,764) £ per acre (net)		(3,785,183)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.
Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,297,764)	5%	10%	15%	20%	25%	30%	35%
£0		(655,931)	(720,520)	(785,108)	(849,913)	(915,131)	(980,349)	(1,045,566)
£1,000		(691,592)	(756,180)	(820,769)	(885,776)	(950,993)	(1,016,211)	(1,081,428)
Site Specific S106 Contributions		(727,252)	(791,841)	(856,430)	(921,638)	(986,856)	(1,052,073)	(1,117,291)
£6,600		(762,913)	(827,502)	(892,283)	(957,500)	(1,022,718)	(1,087,936)	(1,142,307)
		(798,574)	(863,162)	(928,145)	(993,363)	(1,058,580)	(1,123,798)	(1,189,015)
		(834,235)	(898,823)	(964,007)	(1,029,225)	(1,094,443)	(1,159,660)	(1,225,277)
		(869,895)	(934,483)	(999,667)	(1,065,087)	(1,130,305)	(1,195,523)	(1,261,140)
		(905,556)	(970,144)	(1,035,322)	(1,100,950)	(1,166,167)	(1,231,385)	(1,297,002)
		(941,217)	(1,006,377)	(1,071,594)	(1,136,812)	(1,202,030)	(1,267,248)	(1,332,466)
		(977,022)	(1,042,239)	(1,107,457)	(1,172,674)	(1,237,892)	(1,303,110)	(1,368,328)
		(1,012,884)	(1,078,102)	(1,143,319)	(1,208,537)	(1,273,755)	(1,338,973)	(1,404,191)
		(1,048,746)	(1,113,964)	(1,179,181)	(1,244,399)	(1,309,617)	(1,374,835)	(1,440,057)
		(1,084,609)	(1,149,826)	(1,215,044)	(1,280,261)	(1,345,479)	(1,410,697)	(1,475,915)
		(1,120,471)	(1,185,689)	(1,250,906)	(1,316,124)	(1,381,342)	(1,446,560)	(1,511,778)
		(1,156,333)	(1,221,551)	(1,286,768)	(1,351,986)	(1,417,204)	(1,482,422)	(1,547,640)
		(1,192,196)	(1,257,413)	(1,322,631)	(1,387,849)	(1,453,067)	(1,518,285)	(1,583,503)
		(1,228,058)	(1,293,276)	(1,358,494)	(1,423,712)	(1,488,930)	(1,554,148)	(1,619,366)
		(1,263,920)	(1,329,138)	(1,394,356)	(1,459,574)	(1,524,792)	(1,589,999)	(1,655,207)
		(1,299,783)	(1,365,000)	(1,430,218)	(1,495,436)	(1,560,654)	(1,625,872)	(1,691,089)
		(1,335,645)	(1,400,862)	(1,466,080)	(1,531,298)	(1,596,516)	(1,661,734)	(1,726,952)
		(1,371,507)	(1,436,725)	(1,501,943)	(1,567,161)	(1,632,379)	(1,697,597)	(1,762,815)
		(1,407,370)	(1,472,588)	(1,537,806)	(1,603,024)	(1,668,242)	(1,733,460)	(1,798,678)
		(1,443,232)	(1,508,450)	(1,573,668)	(1,638,886)	(1,704,104)	(1,769,322)	(1,834,540)
		(1,524,807)	(1,589,625)	(1,654,443)	(1,719,261)	(1,784,079)	(1,848,897)	(1,913,715)
		(1,790,109)	(1,854,927)	(1,919,745)	(1,984,563)	(2,049,381)	(2,114,199)	(2,179,017)
		(2,055,514)	(2,120,332)	(2,185,150)	(2,249,968)	(2,314,786)	(2,379,604)	(2,444,422)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(2,297,764)	5%	10%	15%	20%	25%	30%	35%
15%		(563,588)	(645,713)	(728,178)	(810,644)	(893,109)	(975,574)	(1,058,039)
16%		(629,129)	(707,805)	(786,820)	(865,836)	(944,851)	(1,023,867)	(1,102,883)
Profit		(694,669)	(769,896)	(845,462)	(921,028)	(996,594)	(1,072,160)	(1,147,726)
20%		(760,210)	(831,987)	(904,104)	(976,220)	(1,048,337)	(1,120,454)	(1,192,571)
19%		(825,751)	(894,078)	(962,745)	(1,031,413)	(1,100,080)	(1,168,747)	(1,237,414)
20%		(891,292)	(956,170)	(1,021,387)	(1,086,605)	(1,151,822)	(1,217,040)	(1,282,258)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

TABLE 3		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(2,297,764)	5%	10%	15%	20%	25%	30%	35%	
BLV (£ per acre)	150,000	50,000	(791,292)	(856,170)	(921,387)	(986,605)	(1,051,822)	(1,343,481)	(2,197,764)
		60,000	(801,292)	(866,170)	(931,387)	(996,605)	(1,061,822)	(1,353,481)	(2,207,764)
		70,000	(811,292)	(876,170)	(941,387)	(1,006,605)	(1,071,822)	(1,363,481)	(2,217,764)
		80,000	(821,292)	(886,170)	(951,387)	(1,016,605)	(1,081,822)	(1,373,481)	(2,227,764)
		90,000	(831,292)	(896,170)	(961,387)	(1,026,605)	(1,091,822)	(1,383,481)	(2,237,764)
		100,000	(841,292)	(906,170)	(971,387)	(1,036,605)	(1,101,822)	(1,393,481)	(2,247,764)
		110,000	(851,292)	(916,170)	(981,387)	(1,046,605)	(1,111,822)	(1,403,481)	(2,257,764)
		120,000	(861,292)	(926,170)	(991,387)	(1,056,605)	(1,121,822)	(1,413,481)	(2,267,764)
		130,000	(871,292)	(936,170)	(1,001,387)	(1,066,605)	(1,131,822)	(1,423,481)	(2,277,764)
		140,000	(881,292)	(946,170)	(1,011,387)	(1,076,605)	(1,141,822)	(1,433,481)	(2,287,764)
		150,000	(891,292)	(956,170)	(1,021,387)	(1,086,605)	(1,151,822)	(1,443,481)	(2,297,764)
		160,000	(901,292)	(966,170)	(1,031,387)	(1,096,605)	(1,161,822)	(1,453,481)	(2,307,764)
		170,000	(911,292)	(976,170)	(1,041,387)	(1,106,605)	(1,171,822)	(1,463,481)	(2,317,764)
		180,000	(921,292)	(986,170)	(1,051,387)	(1,116,605)	(1,181,822)	(1,473,481)	(2,327,764)
		190,000	(931,292)	(996,170)	(1,061,387)	(1,126,605)	(1,191,822)	(1,483,481)	(2,337,764)
		200,000	(941,292)	(1,006,170)	(1,071,387)	(1,136,605)	(1,201,822)	(1,493,481)	(2,347,764)

TABLE 4		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(2,297,764)	5%	10%	15%	20%	25%	30%	35%	
Density (dph)	75.00	15	(298,258)	(311,234)	(324,277)	(337,321)	(350,364)	(408,696)	(579,553)
		18	(322,968)	(338,106)	(353,324)	(368,541)	(383,759)	(451,812)	(651,145)
		20	(347,678)	(364,979)	(382,370)	(399,761)	(417,153)	(494,928)	(722,737)
		23	(372,387)	(391,851)	(411,416)	(430,981)	(450,547)	(538,044)	(794,329)
		25	(397,097)	(418,723)	(440,462)	(462,202)	(483,941)	(581,160)	(865,921)
		28	(421,807)	(445,596)	(469,509)	(493,422)	(517,335)	(624,276)	(937,513)
		30	(446,517)	(472,468)	(498,555)	(524,642)	(550,729)	(667,392)	(1,009,105)
		33	(471,226)	(499,340)	(527,601)	(555,862)	(584,123)	(710,508)	(1,080,698)
		35	(495,936)	(526,212)	(556,647)	(587,082)	(617,517)	(753,625)	(1,152,290)
		38	(520,646)	(553,085)	(585,694)	(618,302)	(650,911)	(796,741)	(1,223,882)
		40	(545,356)	(579,957)	(614,740)	(649,523)	(684,305)	(839,857)	(1,295,474)
		43	(570,065)	(606,829)	(643,786)	(680,743)	(717,699)	(882,973)	(1,367,066)
		45	(594,775)	(633,702)	(672,832)	(711,963)	(751,093)	(926,089)	(1,438,658)
		48	(619,485)	(660,574)	(701,879)	(743,183)	(784,487)	(969,205)	(1,510,250)
		50	(644,194)	(687,446)	(730,925)	(774,403)	(817,882)	(1,012,321)	(1,581,842)
		53	(668,904)	(714,319)	(759,971)	(805,623)	(851,276)	(1,055,437)	(1,653,435)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

TABLE 5		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(2,297,764)	5%	10%	15%	20%	25%	30%	35%	
Build Cost 100% (105% = 5% increase)	80%	126,311	64,941	3,429	(59,668)	(124,579)	(193,329)	(264,780)	
	85%	(104,683)	(169,815)	(239,157)	(308,509)	(378,436)	(448,363)	(518,290)	
	90%	(363,176)	(431,064)	(499,211)	(567,359)	(635,506)	(703,654)	(772,369)	
	95%	(627,104)	(693,472)	(759,840)	(826,292)	(893,299)	(960,306)	(1,027,313)	
	100%	(891,292)	(956,170)	(1,021,387)	(1,086,605)	(1,151,822)	(1,217,040)	(1,282,258)	
	105%	(1,156,634)	(1,220,062)	(1,283,490)	(1,346,918)	(1,410,346)	(1,473,774)	(1,537,202)	
	110%	(1,422,315)	(1,485,743)	(1,549,171)	(1,612,599)	(1,676,027)	(1,739,455)	(1,802,883)	
	115%	(3,070,721)	(3,134,149)	(3,197,577)	(3,261,005)	(3,324,433)	(3,387,861)	(3,451,289)	
120%	(5,036,938)	(5,100,366)	(5,163,794)	(5,227,222)	(5,290,650)	(5,354,078)	(5,417,506)		

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)							
Balance (RLV - BLV £ per acre (n))	(2,297,764)	75%	80%	85%	90%	95%	100%	105%	
Market Values 100% (105% = 5% increase)	80%	(721,255)	(1,181,037)	(3,067,791)	(4,954,545)	(6,841,300)	(8,728,054)	(10,614,808)	
	85%	(543,084)	(797,770)	(1,460,218)	(3,346,973)	(5,233,727)	(7,120,481)	(9,007,236)	
	90%	(365,812)	(619,340)	(874,284)	(1,739,400)	(3,626,154)	(5,512,909)	(7,399,663)	
	95%	(188,576)	(442,051)	(695,854)	(950,799)	(1,205,744)	(1,460,689)	(1,715,634)	
	100%	(24,986)	(264,780)	(518,290)	(772,369)	(1,027,313)	(1,282,258)	(1,537,202)	
	105%	127,869	(93,470)	(341,019)	(594,530)	(848,041)	(1,101,552)	(1,355,063)	
	110%	280,006	62,246	(164,083)	(417,258)	(670,483)	(923,708)	(1,176,933)	
	115%	431,621	214,678	(3,376)	(239,986)	(493,497)	(747,008)	(1,000,519)	
120%	583,237	366,409	149,055	(71,059)	(316,226)	(569,737)	(823,483)		

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Appraisal Ref: **W** (see Typologies Matrix)
 Scheme Typology: No Units: **50**
 Site Typology: Location / Value Zone: **Island Wide** Greenfield/Brownfield: **Brownfield**
 Notes/Comments: **Lower Quartile BCIS : 35% AH - Sheltered Housing**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			50 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0% Rented						
Affordable Rent:			80.0%						
Social Rent:			0.0%						
First Homes:			0.0%						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100% 100.0%						
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	35.0%	11.4	75.0%	10.5	30.0%	1.1	46%	22.9	
2 bed Flat	65.0%	21.1	25.0%	3.5	70.0%	2.5	54%	27.1	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	32.5		14.0	100%	3.5	100%	50.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0	484			
2 bed House	75.0	807			75.0	807			
3 bed House	93.0	1,001		0.0	93.0	1,001			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	155.0	1,668		0.0	155.0	1,668			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	80.0	861	85.0%		94.1	1,013			
3 bed Flat	0.0	0	85.0%		0.0	0			
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)		
1 bed House	45.0	484			45.0	484			
2 bed House	75.0	807			75.0	807			
3 bed House	93.0	1,001		0.0	93.0	1,001			
4 bed House	115.0	1,238		0.0	115.0	1,238			
5 bed House	155.0	1,668		0.0	155.0	1,668			
1 bed Flat	50.0	538	85.0%		58.8	633			
2 bed Flat	80.0	861	85.0%		94.1	1,013			
3 bed Flat	0.0	0	85.0%		0.0	0			
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)		(sqft)		
1 bed House	0	0	0	0	0	0			
2 bed House	0	0	0	0	0	0			
3 bed House	0	0	0	0	0	0			
4 bed House	0	0	0	0	0	0			
5 bed House	0	0	0	0	0	0			
1 bed Flat	669	7,202	679	7,313	1,349	14,515			
2 bed Flat	1,988	21,401	560	6,028	2,548	27,429			
3 bed Flat	0	0	0	0	0	0			
	2,657	28,604	1,239	13,341	3,897	41,944			
AH % by floor area:		31.81% AH % by floor area (difference due to mix)							
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	168,000	3,733	347	3,733	347	0			
2 bed House	252,000	3,360	312	3,360	312	0			
3 bed House	375,000	4,032	375	4,032	375	0			
4 bed House	480,000	4,174	388	4,174	388	0			
5 bed House	600,000	3,871	360	3,871	360	0			
1 bed Flat	200,000	4,000	372	3,400	316	4,585,000			
2 bed Flat	242,000	3,025	281	2,571	239	6,552,150			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						11,137,150			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed House	138,600	55%	0	0%	0	0%	151,200	60%	
3 bed House	206,250	55%	0	0%	0	0%	225,000	60%	
4 bed House	264,000	55%	0	0%	0	0%	288,000	60%	
5 bed House	330,000	55%	0	0%	0	0%	360,000	60%	
1 bed Flat	110,000	55%	0	0%	0	0%	120,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

GROSS DEVELOPMENT VALUE					
OMS GDV -					
(part houses due to % mix)					
1 bed House	0.0	@	168,000	-	
2 bed House	0.0	@	252,000	-	
3 bed House	0.0	@	375,000	-	
4 bed House	0.0	@	480,000	-	
5 bed House	0.0	@	600,000	-	
1 bed Flat	11.4	@	200,000	2,275,000	
2 bed Flat	21.1	@	242,000	5,112,250	
3 bed Flat	0.0	@	0	-	
	32.5				7,387,250
Affordable Rent GDV -					
1 bed House	0.0	@	92,400	-	
2 bed House	0.0	@	138,600	-	
3 bed House	0.0	@	206,250	-	
4 bed House	0.0	@	264,000	-	
5 bed House	0.0	@	330,000	-	
1 bed Flat	10.5	@	110,000	1,155,000	
2 bed Flat	3.5	@	133,100	465,850	
3 bed Flat	0.0	@	0	-	
	14.0				1,620,850
Social Rent GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
First Homes GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
Other Intermediate GDV -					
1 bed House	0.0	@	100,800	-	
2 bed House	0.0	@	151,200	-	
3 bed House	0.0	@	225,000	-	
4 bed House	0.0	@	288,000	-	
5 bed House	0.0	@	360,000	-	
1 bed Flat	1.1	@	120,000	126,000	
2 bed Flat	2.5	@	145,200	355,740	
3 bed Flat	0.0	@	0	-	
	3.5	17.5			481,740
Sub-total GDV Residential				50	9,489,840
AH on-site cost analysis:					
				423 £ psm (total GIA sqm)	EMV (no AH) less £GDV (inc. AH) 1,647,310
					32,946 £ per unit (total units)
Grant				18 AH units @ 0 per unit	-
Total GDV					9,489,840

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:
Site Typology: Location / Value Zone: **Island Wide** No Units: **50**
Notes/Comments: **Lower Quartile BCIS : 35% AH - Sheltered Housing** Greenfield/Brownfield: **Brownfield**

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25			(capped at £411,885)		31,750 £			(31,750)
Planning Application Professional Fees, Surveys and reports				(capped at £1,500,000)		127,000 £			(127,000)
CIL (Mkrt only inc. garages)	Max		2,657 sqm		0.00 £ psm				-
CIL analysis:			0.00% % of GDV		0 £ per unit (total units)				
Site Specific S106	Year 1					0			-
(strategic site cashflow yrs 1-15)	Year 2					0			-
	Year 3					0			-
	Year 4					0			-
	Year 5					0			-
	Year 6					0			-
	Year 7					0			-
	Year 8					0			-
	Year 9					0			-
	Year 10					0			-
	Year 11					0			-
	Year 12					0			-
	Year 13					0			-
	Year 14					0			-
	Year 15					0			-
Site Specific S106 (installment)			50 units @		6,600 per unit				(330,000)
S106 analysis:		495,000 £ per ha	3.48% % of GDV		6,600 £ per unit (total units)				
AH Commuted Sum			3,897 sqm (total)		0 £ psm				-
Comm. Sum analysis:			0.00% % of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation			0.67 ha @		110,000 £ per ha (if brownfield)				(73,333)
Site Infrastructure costs	Year 1		0						-
(strategic site cashflow yrs 1-15)	Year 2		0						-
	Year 3		0						-
	Year 4		0						-
	Year 5		0						-
	Year 6		0						-
	Year 7		0						-
	Year 8		0						-
	Year 9		0						-
	Year 10		0						-
	Year 11		0						-
	Year 12		0						-
	Year 13		0						-
	Year 14		0						-
	Year 15		0						-
	Years 1-15		50 units @		6,600 per unit				(330,000)
Infra. Costs analysis:		495,000 £ per ha	3.48% % of GDV		6,600 £ per unit (total units)				
1 bed House			- sqm @		1,510 psm				-
2 bed House			- sqm @		1,510 psm				-
3 bed House (EXC. garage)			- sqm @		1,510 psm				-
4 bed House (EXC. garage)			- sqm @		1,510 psm				-
5 bed House (EXC. garage)			- sqm @		1,510 psm				-
1 bed Flat			1,349 sqm @		1,733 psm				(2,337,001)
2 bed Flat			2,548 sqm @		1,733 psm				(4,416,092)
3 bed Flat			- sqm @		1,733 psm				-
Garages for 3B House	-	-	0 sqm @		500 psm				-
Garages for 4B House	-	-	0 sqm @		500 psm				-
Garages for 5B House	-	-	0 sqm @		500 psm				-
Total GIA check:			3,897 £ per garage		£0				
External works			6,753,093 @		5.0%				(337,655)
Ext. Works analysis:					6,753 £ per unit (total units)				
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs			50 units @		0 £ per unit				-
M4(3) Category 3 Housing	OMS units	32.5 units @			287 £ per unit				(14,350)
M4(3) Category 3 Housing	Aff units	17.5 units @		10%	10,000 £ per unit				(32,500)
Part L/FHS - Houses		50 units @		30%	10,000 £ per unit				(52,500)
Part L/FHS - Flats		0 units @			5,000 £ per unit				(250,000)
Part L/FHS analysis:					2,260 £ per unit				(791)
Water Efficiency			50 units @		3.7% % of BCIS costs				
Sub-total					9 £ per unit				(450)
Policy Costs analysis: (design costs only)					7,012 £ per unit (total units)				(350,591)
					5.2% % of BCIS costs				
Contingency (on construction)			7,844,672 @		5.0%				(392,234)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

Professional Fees	7,844,672 @	8.0%		(627,574)
Disposal Costs -				
OMS Marketing and Promotion	7,387,250 OMS @	1.50%	2,216 £ per unit	(110,809)
Residential Sales Agent Costs	7,387,250 OMS @	1.50%	2,216 £ per unit	(110,809)
Residential Sales Legal Costs	7,387,250 OMS @	0.50%	739 £ per unit	(36,936)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			5,371 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(3,335,715)
Developers Profit -				
Profit on OMS	7,387,250	20.00%		(1,477,450)
Margin on AH	2,102,590	6.00% on AH values		(126,155)
Profit analysis:	9,489,840	16.90% blended GDV	(1,603,605)	
	12,957,499	12.38% on costs	(1,603,605)	
TOTAL COSTS				(14,561,104)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(5,071,264)
SDLT	- @	HMRC formula		-
Acquisition Agent fees	- @	1.0%		-
Acquisition Legal fees	- @	0.5%		-
Interest on Land	- @	7.00%		-
Residual Land Value				(5,071,264)
RLV analysis:	(101,425) £ per plot	(7,606,896) £ per ha (net)	(3,078,469) £ per acre (net)	
		(6,085,517) £ per ha (gross)	(2,462,775) £ per acre (gross)	
			-53.44% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	75.0 dph (net)			
Site Area (net)	0.67 ha (net)	1.65 acres (net)		
Net to Gross ratio	80%			
Site Area (gross)	0.83 ha (gross)	2.06 acres (gross)		
Density analysis:	5,845 sqm/ha (net)	25,462 sqft/ac (net)		
	60 dph (gross)			
Benchmark Land Value (net)	4,942 £ per plot	370,650 £ per ha (net)	150,000 £ per acre (net)	247,100
BLV analysis:		296,520 £ per ha (gross)	120,000 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)	(7,977,546) £ per ha (net)	(3,228,469) £ per acre (net)		(5,318,364)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(3,228,469)	5%	10%	15%	20%	25%	30%	35%
£0		(788,271)	(852,285)	(916,627)	(981,266)	(1,045,905)	(1,110,544)	(1,194,727)
£1,000		(824,576)	(888,590)	(953,137)	(1,017,776)	(1,082,415)	(1,147,054)	(1,757,415)
Site Specific S106 Contributions		(860,881)	(925,009)	(989,648)	(1,054,286)	(1,118,925)	(1,195,458)	(2,020,103)
£6,600		(897,186)	(961,519)	(1,026,158)	(1,090,797)	(1,155,436)	(1,458,033)	(2,282,791)
		(933,491)	(998,029)	(1,062,668)	(1,127,307)	(1,191,946)	(1,720,721)	(2,545,479)
		(969,900)	(1,034,539)	(1,099,178)	(1,163,817)	(1,228,456)	(1,983,409)	(2,808,168)
		(1,006,410)	(1,071,049)	(1,135,688)	(1,200,327)	(1,421,338)	(2,246,097)	(3,070,856)
		(1,042,920)	(1,107,559)	(1,172,198)	(1,236,837)	(1,684,026)	(2,508,785)	(3,333,544)
		(1,079,431)	(1,144,070)	(1,208,708)	(1,273,347)	(1,946,715)	(2,771,473)	(3,596,232)
		(1,115,941)	(1,180,580)	(1,245,219)	(1,384,679)	(2,209,403)	(3,034,162)	(3,858,920)
		(1,152,451)	(1,217,090)	(1,281,729)	(1,647,332)	(2,472,091)	(3,296,850)	(4,121,609)
		(1,188,961)	(1,253,600)	(1,318,239)	(1,910,020)	(2,734,779)	(3,559,538)	(4,384,297)
		(1,225,471)	(1,290,110)	(1,354,749)	(2,172,709)	(2,997,467)	(3,822,226)	(4,646,985)
		(1,261,981)	(1,326,620)	(1,610,638)	(2,435,397)	(3,260,155)	(4,084,914)	(4,909,673)
		(1,298,492)	(1,363,130)	(1,873,326)	(2,698,085)	(3,522,844)	(4,347,602)	(5,172,361)
		(1,335,002)	(1,399,641)	(2,136,014)	(2,960,773)	(3,785,532)	(4,610,291)	(5,435,049)
		(1,371,512)	(1,573,944)	(2,398,702)	(3,223,461)	(4,048,220)	(4,872,979)	(5,697,738)
		(1,408,022)	(1,836,632)	(2,661,391)	(3,486,149)	(4,310,908)	(5,135,667)	(5,960,426)
		(1,444,532)	(2,099,320)	(2,924,079)	(3,748,838)	(4,573,596)	(5,398,355)	(6,223,114)
		(1,537,330)	(2,362,008)	(3,186,767)	(4,011,526)	(4,836,285)	(5,661,043)	(6,485,802)
		(1,799,938)	(2,624,696)	(3,449,455)	(4,274,214)	(5,098,973)	(5,923,731)	(6,748,490)
		(2,062,626)	(2,887,385)	(3,712,143)	(4,536,902)	(5,361,661)	(6,186,420)	(7,011,178)
		(2,325,314)	(3,150,073)	(3,974,831)	(4,799,590)	(5,624,349)	(6,449,108)	(7,273,867)
		(2,588,002)	(3,412,761)	(4,237,520)	(5,062,278)	(5,887,037)	(6,711,796)	(7,536,555)
		(2,850,690)	(3,675,449)	(4,500,208)	(5,324,967)	(6,149,725)	(6,974,484)	(7,799,243)
		(3,113,378)	(3,938,137)	(4,762,896)	(5,587,655)	(6,412,414)	(7,237,172)	(8,061,931)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(3,228,469)	5%	10%	15%	20%	25%	30%	35%
15%		(700,613)	(782,499)	(864,386)	(946,272)	(1,320,238)	(2,162,244)	(3,004,250)
16%		(766,153)	(844,590)	(923,027)	(1,001,464)	(1,371,980)	(2,210,537)	(3,049,094)
Profit		(831,694)	(906,682)	(981,669)	(1,056,656)	(1,423,723)	(2,258,830)	(3,093,938)
20%		(897,235)	(968,773)	(1,040,311)	(1,111,849)	(1,475,466)	(2,307,124)	(3,138,781)
		(962,776)	(1,030,864)	(1,098,953)	(1,167,041)	(1,527,208)	(2,355,417)	(3,183,625)
		(1,028,316)	(1,092,955)	(1,157,594)	(1,222,233)	(1,578,951)	(2,403,710)	(3,228,469)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

TABLE 3		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(3,228,469)	5%	10%	15%	20%	25%	30%	35%	
BLV (£ per acre)	150,000	50,000	(928,316)	(992,955)	(1,057,594)	(1,122,233)	(1,478,951)	(2,303,710)	(3,128,469)
		60,000	(938,316)	(1,002,955)	(1,067,594)	(1,132,233)	(1,488,951)	(2,313,710)	(3,138,469)
		70,000	(948,316)	(1,012,955)	(1,077,594)	(1,142,233)	(1,498,951)	(2,323,710)	(3,148,469)
		80,000	(958,316)	(1,022,955)	(1,087,594)	(1,152,233)	(1,508,951)	(2,333,710)	(3,158,469)
		90,000	(968,316)	(1,032,955)	(1,097,594)	(1,162,233)	(1,518,951)	(2,343,710)	(3,168,469)
		100,000	(978,316)	(1,042,955)	(1,107,594)	(1,172,233)	(1,528,951)	(2,353,710)	(3,178,469)
		110,000	(988,316)	(1,052,955)	(1,117,594)	(1,182,233)	(1,538,951)	(2,363,710)	(3,188,469)
		120,000	(998,316)	(1,062,955)	(1,127,594)	(1,192,233)	(1,548,951)	(2,373,710)	(3,198,469)
		130,000	(1,008,316)	(1,072,955)	(1,137,594)	(1,202,233)	(1,558,951)	(2,383,710)	(3,208,469)
		140,000	(1,018,316)	(1,082,955)	(1,147,594)	(1,212,233)	(1,568,951)	(2,393,710)	(3,218,469)
		150,000	(1,028,316)	(1,092,955)	(1,157,594)	(1,222,233)	(1,578,951)	(2,403,710)	(3,228,469)
160,000	(1,038,316)	(1,102,955)	(1,167,594)	(1,232,233)	(1,588,951)	(2,413,710)	(3,238,469)		
170,000	(1,048,316)	(1,112,955)	(1,177,594)	(1,242,233)	(1,598,951)	(2,423,710)	(3,248,469)		
180,000	(1,058,316)	(1,122,955)	(1,187,594)	(1,252,233)	(1,608,951)	(2,433,710)	(3,258,469)		
190,000	(1,068,316)	(1,132,955)	(1,197,594)	(1,262,233)	(1,618,951)	(2,443,710)	(3,268,469)		
200,000	(1,078,316)	(1,142,955)	(1,207,594)	(1,272,233)	(1,628,951)	(2,453,710)	(3,278,469)		

TABLE 4		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(3,228,469)	5%	10%	15%	20%	25%	30%	35%	
Density (dph)	75.00	15	(370,583)	(383,510)	(429,079)	(594,030)	(758,982)	(923,934)	(1,088,886)
		18	(397,988)	(413,071)	(428,153)	(600,704)	(793,147)	(985,591)	(1,178,035)
		20	(425,394)	(442,631)	(459,868)	(607,377)	(827,313)	(1,047,248)	(1,267,184)
		23	(452,799)	(472,191)	(491,583)	(614,051)	(861,478)	(1,108,906)	(1,356,333)
		25	(480,205)	(501,751)	(523,298)	(620,724)	(895,644)	(1,170,563)	(1,445,483)
		28	(507,611)	(531,311)	(555,012)	(627,397)	(929,809)	(1,232,220)	(1,534,632)
		30	(535,016)	(560,872)	(586,727)	(634,093)	(963,974)	(1,293,878)	(1,623,781)
		33	(562,422)	(590,432)	(618,442)	(646,452)	(998,140)	(1,355,535)	(1,712,931)
		35	(589,827)	(619,992)	(650,157)	(680,322)	(1,032,305)	(1,417,193)	(1,802,080)
		38	(617,233)	(649,552)	(681,872)	(714,191)	(1,066,470)	(1,478,850)	(1,891,229)
		40	(644,638)	(679,112)	(713,587)	(748,061)	(1,100,636)	(1,540,507)	(1,980,379)
		43	(672,044)	(708,673)	(745,301)	(781,930)	(1,134,801)	(1,602,165)	(2,069,528)
		45	(699,450)	(738,233)	(777,016)	(815,800)	(1,168,967)	(1,663,822)	(2,158,677)
		48	(726,855)	(767,793)	(808,731)	(849,669)	(1,203,132)	(1,725,479)	(2,247,826)
		50	(754,261)	(797,353)	(840,446)	(883,539)	(1,237,297)	(1,787,137)	(2,336,976)
		53	(781,666)	(826,913)	(872,161)	(917,408)	(1,271,463)	(1,848,794)	(2,426,125)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Sheltered Housing

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(3,228,469)	5%	10%	15%	20%	25%	30%	35%
		25,342	(36,598)	(100,586)	(166,662)	(237,329)	(308,389)	(379,648)
		(222,097)	(290,963)	(359,935)	(429,383)	(498,831)	(568,279)	(637,727)
Build Cost		(489,988)	(557,624)	(625,260)	(692,897)	(760,533)	(828,792)	(897,074)
100%		(758,936)	(824,760)	(890,769)	(957,230)	(1,023,691)	(1,090,151)	(1,361,111)
(105% = 5% increase)		(1,028,316)	(1,092,955)	(1,157,594)	(1,222,233)	(1,578,951)	(2,403,710)	(3,228,469)
		(1,298,785)	(1,361,602)	(1,849,222)	(2,660,873)	(3,472,525)	(4,284,176)	(5,095,827)
		(2,171,925)	(2,970,468)	(3,769,011)	(4,567,555)	(5,366,098)	(6,164,641)	(6,963,185)
		(4,117,929)	(4,903,364)	(5,688,800)	(6,474,236)	(7,259,671)	(8,045,107)	(8,830,542)
		(6,063,933)	(6,836,261)	(7,608,589)	(8,380,917)	(9,153,245)	(9,925,573)	(10,697,900)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(3,228,469)	75%	80%	85%	90%	95%	100%	105%
		(832,180)	(2,005,596)	(3,872,953)	(5,740,311)	(7,607,669)	(9,475,027)	(11,342,385)
		(653,750)	(913,288)	(2,311,314)	(4,178,672)	(6,046,030)	(7,913,388)	(9,780,746)
Market Values		(476,113)	(734,858)	(994,396)	(2,617,032)	(4,484,390)	(6,351,748)	(8,219,106)
100%		(298,841)	(556,920)	(815,966)	(1,075,504)	(2,922,750)	(4,790,108)	(6,657,466)
(105% = 5% increase)		(124,413)	(379,648)	(637,727)	(897,074)	(1,361,111)	(3,228,469)	(5,095,827)
		32,995	(202,442)	(460,455)	(718,644)	(978,182)	(1,666,829)	(3,534,187)
		185,426	(37,396)	(283,184)	(541,262)	(799,753)	(1,059,290)	(1,972,547)
		337,281	115,875	(110,313)	(363,991)	(622,069)	(880,861)	(1,140,398)
		488,897	268,162	46,323	(187,033)	(444,798)	(702,876)	(961,969)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Appraisal Ref: **X** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Island Wide** No Units: **50**
 Notes/Comments: **Lower Quartile BCIS : 35% AH - Extra Care** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			50 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			Open Market Sale (OMS)		Affordable Rent:		80.0%		80.0% % Rented
			Social Rent:				0.0%		
			First Homes:				0.0%		
			Other Intermediate (LCHO/Sub-Market etc.):				20.0%		
			100%		100.0%		7.0% % of total (>10% First Homes PPG 023)		
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	35.0%	11.4	75.0%	10.5	30.0%	1.1	46%	22.9	
2 bed Flat	65.0%	21.1	25.0%	3.5	70.0%	2.5	54%	27.1	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	32.5		14.0	100%	3.5	100%	50.0	
OMS Floor areas, per Unit -		Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)	
1 bed House		45.0	484			45.0	484		
2 bed House		75.0	807			75.0	807		
3 bed House		93.0	1,001		0.0	93.0	1,001		
4 bed House		115.0	1,238		0.0	115.0	1,238		
5 bed House		155.0	1,668		0.0	155.0	1,668		
1 bed Flat		50.0	538	85.0%		58.8	633		
2 bed Flat		80.0	861	85.0%		94.1	1,013		
3 bed Flat		0.0	0	85.0%		0.0	0		
AH Floor areas, per Unit -		Net area per unit (sqm)	(sqft)	Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)	
1 bed House		45.0	484			45.0	484		
2 bed House		75.0	807			75.0	807		
3 bed House		93.0	1,001		0.0	93.0	1,001		
4 bed House		115.0	1,238		0.0	115.0	1,238		
5 bed House		155.0	1,668		0.0	155.0	1,668		
1 bed Flat		50.0	538	85.0%		58.8	633		
2 bed Flat		80.0	861	85.0%		94.1	1,013		
3 bed Flat		0.0	0	85.0%		0.0	0		
Total Gross Overall Floor areas -		OMS Units GIA (sqm)	(sqft)	AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)		(sqft)	
1 bed House		0	0	0	0	0	0	0	
2 bed House		0	0	0	0	0	0	0	
3 bed House		0	0	0	0	0	0	0	
4 bed House		0	0	0	0	0	0	0	
5 bed House		0	0	0	0	0	0	0	
1 bed Flat		669	7,202	679	7,313	1,349	14,515	14,515	
2 bed Flat		1,988	21,401	560	6,028	2,548	27,429	27,429	
3 bed Flat		0	0	0	0	0	0	0	
		2,657	28,604	1,239	13,341	3,897	41,944	41,944	
AH % by floor area: 31.81% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -		£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)		
1 bed House		168,000	3,733	347	3,733	347	0		
2 bed House		252,000	3,360	312	3,360	312	0		
3 bed House		375,000	4,032	375	4,032	375	0		
4 bed House		480,000	4,174	388	4,174	388	0		
5 bed House		600,000	3,871	360	3,871	360	0		
1 bed Flat		245,000	4,900	455	4,165	387	5,616,625		
2 bed Flat		297,000	3,713	345	3,156	293	8,041,275		
3 bed Flat			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0		
							13,657,900		
Affordable Housing values (£) -		Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV
1 bed House		92,400	55%	0	0%	0	0%	100,800	60%
2 bed House		138,600	55%	0	0%	0	0%	151,200	60%
3 bed House		206,250	55%	0	0%	0	0%	225,000	60%
4 bed House		264,000	55%	0	0%	0	0%	288,000	60%
5 bed House		330,000	55%	0	0%	0	0%	360,000	60%
1 bed Flat		134,750	55%	0	0%	0	0%	147,000	60%
2 bed Flat		163,350	55%	0	0%	0	0%	178,200	60%
3 bed Flat		0	55%	0	0%	0	0%	0	60%
* capped @£250K									

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Lower Quartile BCIS : 35% AH - Extra Care

No Units: 50

Greenfield/Brownfield:

Greenfield

GROSS DEVELOPMENT VALUE					
OMS GDV - (part houses due to % mix)					
1 bed House	0.0	@	168,000	-	
2 bed House	0.0	@	252,000	-	
3 bed House	0.0	@	375,000	-	
4 bed House	0.0	@	480,000	-	
5 bed House	0.0	@	600,000	-	
1 bed Flat	11.4	@	245,000	2,786,875	
2 bed Flat	21.1	@	297,000	6,274,125	
3 bed Flat	0.0	@	0	-	
	32.5				9,061,000
Affordable Rent GDV -					
1 bed House	0.0	@	92,400	-	
2 bed House	0.0	@	138,600	-	
3 bed House	0.0	@	206,250	-	
4 bed House	0.0	@	264,000	-	
5 bed House	0.0	@	330,000	-	
1 bed Flat	10.5	@	134,750	1,414,875	
2 bed Flat	3.5	@	163,350	571,725	
3 bed Flat	0.0	@	0	-	
	14.0				1,986,600
Social Rent GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
First Homes GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
Other Intermediate GDV -					
1 bed House	0.0	@	100,800	-	
2 bed House	0.0	@	151,200	-	
3 bed House	0.0	@	225,000	-	
4 bed House	0.0	@	288,000	-	
5 bed House	0.0	@	360,000	-	
1 bed Flat	1.1	@	147,000	154,350	
2 bed Flat	2.5	@	178,200	436,590	
3 bed Flat	0.0	@	0	-	
	3.5	17.5			590,940
Sub-total GDV Residential	50				11,638,540
AH on-site cost analysis:					
				EMV (no AH) less £GDV (inc. AH)	2,019,360
			518 £ psm (total GIA sqm)	40,387 £ per unit (total units)	
Grant	18	AH units @	0	per unit	-
Total GDV					11,638,540

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Extra Care

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	31,750 £	(31,750)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	127,000 £	(127,000)
CIL (Mkrt only inc. garages)	Max	2,657 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		50 units @	6,600 per unit		(330,000)
S106 analysis:		495,000 £ per ha	2.84% % of GDV	6,600 £ per unit (total units)	
AH Commuted Sum		3,897 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		0.67 ha @	0 £ per ha (if brownfield)		-
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	50 units @	6,600 per unit		(330,000)
Infra. Costs analysis:		495,000 £ per ha	2.84% % of GDV	6,600 £ per unit (total units)	
1 bed House	-	-	1,510 psm		-
2 bed House	-	-	1,510 psm		-
3 bed House (EXC. garage)	-	-	1,510 psm		-
4 bed House (EXC. garage)	-	-	1,510 psm		-
5 bed House (EXC. garage)	-	-	1,510 psm		-
1 bed Flat	1,349	sqm @	1,733 psm		(2,337,001)
2 bed Flat	2,548	sqm @	1,733 psm		(4,416,092)
3 bed Flat	-	sqm @	1,733 psm		-
Garages for 3B House	-	0 sqm @	500 psm		-
Garages for 4B House	-	0 sqm @	500 psm		-
Garages for 5B House	-	0 sqm @	500 psm		-
Total GIA check:		3,897 £ per garage	£0		
External works		6,753,093 @	5.0%		(337,655)
Ext. Works analysis:			6,753 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy					
Net Biodiversity costs		50 units @	0 £ per unit		-
M4(3) Category 3 Housing	OMS units	32.5 units @	10%	10,000 £ per unit	(32,500)
M4(3) Category 3 Housing	Aff units	17.5 units @	30%	10,000 £ per unit	(52,500)
Part L/FHS - Houses		50 units @		5,000 £ per unit	(250,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			3.7% % of BCIS costs		
Water Efficiency		50 units @	9 £ per unit		(450)
Sub-total					(386,791)
Policy Costs analysis: (design costs only)			7,736 £ per unit (total units)		
			5.7% % of BCIS costs		
Contingency (on construction)		7,807,539 @	3.0%		(234,226)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Lower Quartile BCIS : 35% AH - Extra Care

No Units: **50**

Greenfield/Brownfield:

Greenfield

Professional Fees	7,807,539	@	8.0%		(624,603)
Disposal Costs -					
OMS Marketing and Promotion	9,061,000	OMS @	1.50%	2,718 £ per unit	(135,915)
Residential Sales Agent Costs	9,061,000	OMS @	1.50%	2,718 £ per unit	(135,915)
Residential Sales Legal Costs	9,061,000	OMS @	0.50%	906 £ per unit	(45,305)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,543 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR		0.565% pcm	(266,894)
Developers Profit -					
Profit on OMS	9,061,000		20.00%		(1,812,200)
Margin on AH	2,577,540		6.00% on AH values		(154,652)
Profit analysis:	11,638,540		16.90% blended GDV	(1,966,852)	
	9,749,147		20.17% on costs	(1,966,852)	
TOTAL COSTS					(11,716,000)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(77,460)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(77,460)
RLV analysis:	(1,549) £ per plot	(116,190) £ per ha (net)	(47,021) £ per acre (net)		
		(92,952) £ per ha (gross)	(37,617) £ per acre (gross)		
			-0.67% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	75.0	dph (net)			
Site Area (net)	0.67	ha (net)	1.65	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.83	ha (gross)	2.06	acres (gross)	
Density analysis:	5,845	sqm/ha (net)	25,462	sqft/ac (net)	
	60	dph (gross)			
Benchmark Land Value (net)	4,942 £ per plot	370,650 £ per ha (net)	150,000 £ per acre (net)		247,100
BLV analysis:		296,520 £ per ha (gross)	120,000 £ per acre (gross)		

BALANCE					
Surplus/(Deficit)	(486,840)	£ per ha (net)	(197,021)	£ per acre (net)	(324,560)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Extra Care

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(197,021)	5%	10%	15%	20%	25%	30%	35%
£0		462,013	388,293	314,573	240,853	166,675	92,409	18,143
£1,000		431,512	357,792	284,072	210,268	136,002	61,736	(12,536)
Site Specific S106 Contributions		401,012	327,292	253,572	179,595	105,329	31,063	(44,273)
£6,600		370,511	296,791	223,071	148,922	74,656	390	(76,219)
		340,011	266,291	192,515	118,249	43,983	(30,905)	(108,665)
		309,510	235,790	161,841	87,575	13,309	(62,642)	(141,111)
		279,009	205,289	131,168	56,902	(17,537)	(94,998)	(175,745)
		248,509	174,761	100,495	26,229	(49,274)	(127,444)	(211,205)
		218,008	144,088	69,822	(4,444)	(81,331)	(160,809)	(246,834)
		187,507	113,415	39,149	(35,906)	(113,777)	(196,269)	(282,495)
		157,007	82,742	8,476	(67,665)	(146,223)	(231,729)	(318,155)
		126,335	52,069	(22,538)	(100,111)	(181,333)	(267,238)	(353,816)
		95,662	21,396	(54,275)	(132,557)	(216,793)	(302,898)	(389,477)
		64,989	(9,277)	(86,444)	(166,397)	(252,253)	(338,559)	(425,138)
		34,316	(40,907)	(118,890)	(201,857)	(287,713)	(374,220)	(460,798)
		3,643	(72,777)	(151,460)	(237,317)	(323,302)	(409,880)	(496,459)
		(27,539)	(105,223)	(186,921)	(272,777)	(358,962)	(445,541)	(532,120)
		(59,276)	(137,670)	(222,381)	(308,237)	(394,623)	(481,202)	(567,780)
		(91,557)	(171,984)	(257,841)	(343,705)	(430,284)	(516,862)	(603,441)
		(124,003)	(207,444)	(293,301)	(379,366)	(465,945)	(552,523)	(639,102)
		(157,048)	(242,905)	(328,761)	(415,027)	(501,605)	(588,184)	(674,762)
		(192,508)	(278,365)	(364,222)	(450,687)	(537,266)	(623,844)	(710,423)
		(227,968)	(313,825)	(399,769)	(486,348)	(572,927)	(659,505)	(746,084)
		(263,429)	(349,285)	(435,430)	(522,009)	(608,587)	(695,166)	(781,744)
		(298,889)	(384,745)	(471,091)	(557,669)	(644,248)	(730,827)	(817,562)
		(334,349)	(420,206)	(506,752)	(593,330)	(679,909)	(766,487)	(853,425)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(197,021)	5%	10%	15%	20%	25%	30%	35%
15%		608,398	516,379	423,855	331,289	238,724	146,158	53,593
16%		538,860	450,501	361,637	272,731	183,826	94,920	6,015
Profit		469,322	384,623	299,419	214,173	128,927	43,682	(42,577)
20%		399,785	318,745	237,201	155,615	74,029	(7,557)	(92,367)
19%		330,247	252,867	174,983	97,057	19,131	(60,406)	(142,696)
20%		260,709	186,989	112,765	38,499	(36,580)	(114,466)	(197,021)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Extra Care

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(197,021)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre)	50,000	360,709	286,989	212,765	138,499	63,420	(14,466)	(97,021)
	60,000	350,709	276,989	202,765	128,499	53,420	(24,466)	(107,021)
	70,000	340,709	266,989	192,765	118,499	43,420	(34,466)	(117,021)
	80,000	330,709	256,989	182,765	108,499	33,420	(44,466)	(127,021)
	90,000	320,709	246,989	172,765	98,499	23,420	(54,466)	(137,021)
	100,000	310,709	236,989	162,765	88,499	13,420	(64,466)	(147,021)
	110,000	300,709	226,989	152,765	78,499	3,420	(74,466)	(157,021)
	120,000	290,709	216,989	142,765	68,499	(6,580)	(84,466)	(167,021)
	130,000	280,709	206,989	132,765	58,499	(16,580)	(94,466)	(177,021)
	140,000	270,709	196,989	122,765	48,499	(26,580)	(104,466)	(187,021)
	150,000	260,709	186,989	112,765	38,499	(36,580)	(114,466)	(197,021)
	160,000	250,709	176,989	102,765	28,499	(46,580)	(124,466)	(207,021)
	170,000	240,709	166,989	92,765	18,499	(56,580)	(134,466)	(217,021)
	180,000	230,709	156,989	82,765	8,499	(66,580)	(144,466)	(227,021)
	190,000	220,709	146,989	72,765	(1,501)	(76,580)	(154,466)	(237,021)
	200,000	210,709	136,989	62,765	(11,501)	(86,580)	(164,466)	(247,021)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(197,021)	5%	10%	15%	20%	25%	30%	35%
Density (dph)	15	(67,858)	(82,602)	(97,447)	(112,300)	(127,316)	(142,893)	(159,404)
	18	(54,168)	(71,369)	(88,688)	(106,017)	(123,535)	(141,709)	(160,972)
	20	(40,478)	(60,136)	(79,929)	(99,734)	(119,755)	(140,524)	(162,539)
	23	(26,787)	(48,903)	(71,171)	(93,450)	(115,974)	(139,340)	(164,106)
	25	(13,097)	(37,670)	(62,412)	(87,167)	(112,193)	(138,155)	(165,674)
	28	593	(26,437)	(53,653)	(80,884)	(108,412)	(136,971)	(167,241)
	30	14,284	(15,204)	(44,894)	(74,601)	(104,632)	(135,786)	(168,809)
	33	27,974	(3,971)	(36,135)	(68,317)	(100,851)	(134,602)	(170,376)
	35	41,664	7,262	(27,377)	(62,034)	(97,070)	(133,417)	(171,943)
	38	55,354	18,494	(18,618)	(55,751)	(93,290)	(132,233)	(173,511)
	40	69,045	29,727	(9,859)	(49,467)	(89,509)	(131,048)	(175,078)
	43	82,735	40,960	(1,100)	(43,184)	(85,728)	(129,864)	(176,645)
	45	96,425	52,193	7,659	(36,901)	(81,948)	(128,679)	(178,213)
	48	110,116	63,426	16,418	(30,618)	(78,167)	(127,495)	(179,780)
	50	123,806	74,659	25,176	(24,334)	(74,386)	(126,310)	(181,348)
	53	137,496	85,892	33,935	(18,051)	(70,606)	(125,126)	(182,915)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Greenfield

Lower Quartile BCIS : 35% AH - Extra Care

TABLE 5		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(197,021)	5%	10%	15%	20%	25%	30%	35%	
Build Cost 100% (105% = 5% increase)	80%	1,162,118	1,082,812	1,003,506	924,201	844,895	765,509	685,701	
	85%	937,428	859,636	781,844	703,731	625,445	547,159	468,873	
	90%	712,629	635,865	559,101	482,337	405,573	328,809	251,809	
	95%	486,669	411,427	336,185	260,943	185,348	109,551	33,755	
	100%	260,709	186,989	112,765	38,499	(36,580)	(114,466)	(197,021)	
	105%	34,059	(39,589)	(115,924)	(196,845)	(280,933)	(365,621)	(450,420)	
	110%	(207,286)	(289,604)	(371,922)	(454,872)	(537,892)	(620,911)	(703,931)	
	115%	(470,001)	(551,241)	(632,481)	(713,721)	(794,961)	(876,368)	(958,391)	
	120%	(734,189)	(813,650)	(893,110)	(972,635)	(1,052,868)	(1,133,102)	(1,213,335)	

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)							
Balance (RLV - BLV £ per acre (n))	(197,021)	75%	80%	85%	90%	95%	100%	105%	
Market Values 100% (105% = 5% increase)	80%	158,097	(61,608)	(306,123)	(559,634)	(814,042)	(1,068,986)	(2,603,055)	
	85%	344,626	127,012	(94,377)	(342,197)	(595,708)	(850,129)	(1,105,074)	
	90%	530,594	313,766	95,926	(127,259)	(378,271)	(631,782)	(886,217)	
	95%	716,562	499,734	282,894	64,840	(161,084)	(414,346)	(667,857)	
	100%	901,893	685,701	468,873	251,809	33,755	(197,021)	(450,420)	
	105%	1,086,974	871,365	654,841	438,013	220,723	2,669	(232,983)	
	110%	1,272,054	1,056,445	840,809	623,981	407,153	189,637	(28,974)	
	115%	1,456,963	1,241,526	1,025,917	809,949	593,121	376,293	158,551	
	120%	1,641,268	1,426,606	1,210,997	995,388	779,089	562,261	345,433	

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Appraisal Ref: **Y** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Island Wide** No Units: **50**
 Notes/Comments: **Lower Quartile BCIS : 35% AH - Extra Care** Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			50 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			Open Market Sale (OMS)		Affordable Rent:		80.0%		80.0% % Rented
			Social Rent:				0.0%		
			First Homes:				0.0%		
			Other Intermediate (LCHO/Sub-Market etc.):				20.0%		
			100%		100.0%		7.0% % of total (>10% First Homes PPG 023)		
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	35.0%	11.4	75.0%	10.5	30.0%	1.1	46%	22.9	
2 bed Flat	65.0%	21.1	25.0%	3.5	70.0%	2.5	54%	27.1	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	32.5		14.0	100%	3.5	100%	50.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	50.0	538		85.0%			58.8	633	
2 bed Flat	80.0	861		85.0%			94.1	1,013	
3 bed Flat	0.0	0		85.0%			0.0	0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)		Gross (GIA) per unit (sqm)	(sqft)	
1 bed House	45.0	484					45.0	484	
2 bed House	75.0	807					75.0	807	
3 bed House	93.0	1,001			0.0		93.0	1,001	
4 bed House	115.0	1,238			0.0		115.0	1,238	
5 bed House	155.0	1,668			0.0		155.0	1,668	
1 bed Flat	50.0	538		85.0%			58.8	633	
2 bed Flat	80.0	861		85.0%			94.1	1,013	
3 bed Flat	0.0	0		85.0%			0.0	0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)		Total GIA (all units) (sqm)	(sqft)	
1 bed House	0	0		0	0		0	0	
2 bed House	0	0		0	0		0	0	
3 bed House	0	0		0	0		0	0	
4 bed House	0	0		0	0		0	0	
5 bed House	0	0		0	0		0	0	
1 bed Flat	669	7,202		679	7,313		1,349	14,515	
2 bed Flat	1,988	21,401		560	6,028		2,548	27,429	
3 bed Flat	0	0		0	0		0	0	
	2,657	28,604		1,239	13,341		3,897	41,944	
AH % by floor area: 31.81% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)		total MV £ (no AH)		
1 bed House	168,000	3,733	347	3,733	347		0		
2 bed House	252,000	3,360	312	3,360	312		0		
3 bed House	375,000	4,032	375	4,032	375		0		
4 bed House	480,000	4,174	388	4,174	388		0		
5 bed House	600,000	3,871	360	3,871	360		0		
1 bed Flat	245,000	4,900	455	4,165	387		5,616,625		
2 bed Flat	297,000	3,713	345	3,156	293		8,041,275		
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!		0		
							13,657,900		
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	92,400	55%	0	0%	0	0%	100,800	60%	
2 bed House	138,600	55%	0	0%	0	0%	151,200	60%	
3 bed House	206,250	55%	0	0%	0	0%	225,000	60%	
4 bed House	264,000	55%	0	0%	0	0%	288,000	60%	
5 bed House	330,000	55%	0	0%	0	0%	360,000	60%	
1 bed Flat	134,750	55%	0	0%	0	0%	147,000	60%	
2 bed Flat	163,350	55%	0	0%	0	0%	178,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Lower Quartile BCIS : 35% AH - Extra Care

No Units:

50

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE					
OMS GDV - (part houses due to % mix)					
1 bed House	0.0	@	168,000	-	
2 bed House	0.0	@	252,000	-	
3 bed House	0.0	@	375,000	-	
4 bed House	0.0	@	480,000	-	
5 bed House	0.0	@	600,000	-	
1 bed Flat	11.4	@	245,000	2,786,875	
2 bed Flat	21.1	@	297,000	6,274,125	
3 bed Flat	0.0	@	0	-	
	32.5				9,061,000
Affordable Rent GDV -					
1 bed House	0.0	@	92,400	-	
2 bed House	0.0	@	138,600	-	
3 bed House	0.0	@	206,250	-	
4 bed House	0.0	@	264,000	-	
5 bed House	0.0	@	330,000	-	
1 bed Flat	10.5	@	134,750	1,414,875	
2 bed Flat	3.5	@	163,350	571,725	
3 bed Flat	0.0	@	0	-	
	14.0				1,986,600
Social Rent GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
First Homes GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0				-
Other Intermediate GDV -					
1 bed House	0.0	@	100,800	-	
2 bed House	0.0	@	151,200	-	
3 bed House	0.0	@	225,000	-	
4 bed House	0.0	@	288,000	-	
5 bed House	0.0	@	360,000	-	
1 bed Flat	1.1	@	147,000	154,350	
2 bed Flat	2.5	@	178,200	436,590	
3 bed Flat	0.0	@	0	-	
	3.5	17.5			590,940
Sub-total GDV Residential	50				11,638,540
AH on-site cost analysis:					
				EMV (no AH) less £GDV (inc. AH)	2,019,360
			518 £ psm (total GIA sqm)	40,387 £ per unit (total units)	
Grant	18	AH units @	0	per unit	-
Total GDV					11,638,540

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Extra Care

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	31,750 £	(31,750)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	127,000 £	(127,000)
CIL (Mkrt only inc. garages)	Max	2,657 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1				-
(strategic site cashflow yrs 1-15)	Year 2				-
	Year 3				-
	Year 4				-
	Year 5				-
	Year 6				-
	Year 7				-
	Year 8				-
	Year 9				-
	Year 10				-
	Year 11				-
	Year 12				-
	Year 13				-
	Year 14				-
	Year 15				-
Site Specific S106 (installment)		50 units @	6,600 per unit		(330,000)
Sub-total					(330,000)
S106 analysis:		495,000 £ per ha	2.84% % of GDV	6,600 £ per unit (total units)	
AH Commuted Sum		3,897 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		0.67 ha @	110,000 £ per ha (if brownfield)		(73,333)
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
	Years 1-15	50 units @	6,600 per unit		(330,000)
Sub-total					(330,000)
Infra. Costs analysis:		495,000 £ per ha	2.84% % of GDV	6,600 £ per unit (total units)	
1 bed House	-	-	1,510 psm		-
2 bed House	-	-	1,510 psm		-
3 bed House (EXC. garage)	-	-	1,510 psm		-
4 bed House (EXC. garage)	-	-	1,510 psm		-
5 bed House (EXC. garage)	-	-	1,510 psm		-
1 bed Flat	1,349	sqm @	1,733 psm		(2,337,001)
2 bed Flat	2,548	sqm @	1,733 psm		(4,416,092)
3 bed Flat	-	sqm @	1,733 psm		-
Garages for 3B House	-	0 sqm @	500 psm		-
Garages for 4B House	-	0 sqm @	500 psm		-
Garages for 5B House	-	0 sqm @	500 psm		-
Total GIA check:		3,897 £ per garage	£0		
External works		6,753,093 @	5.0%		(337,655)
Ext. Works analysis:			6,753 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy		50 units @	0 £ per unit		-
Net Biodiversity costs		50 units @	287 £ per unit		(14,350)
M4(3) Category 3 Housing	OMS units	32.5 units @	10%	10,000 £ per unit	(32,500)
M4(3) Category 3 Housing	Aff units	17.5 units @	30%	10,000 £ per unit	(52,500)
Part L/FHS - Houses		50 units @		5,000 £ per unit	(250,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			3.7% % of BCIS costs		
Water Efficiency		50 units @	9 £ per unit		(450)
Sub-total					(350,591)
Policy Costs analysis: (design costs only)			7,012 £ per unit (total units)		
			5.2% % of BCIS costs		
Contingency (on construction)		7,844,672 @	5.0%		(392,234)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Lower Quartile BCIS : 35% AH - Extra Care

No Units: **50**

Greenfield/Brownfield:

Brownfield

Professional Fees	7,844,672	@	8.0%		(627,574)
Disposal Costs -					
OMS Marketing and Promotion	9,061,000	OMS @	1.50%	2,718 £ per unit	(135,915)
Residential Sales Agent Costs	9,061,000	OMS @	1.50%	2,718 £ per unit	(135,915)
Residential Sales Legal Costs	9,061,000	OMS @	0.50%	906 £ per unit	(45,305)
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				6,543 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR		0.565% pcm	(287,923)
Developers Profit -					
Profit on OMS	9,061,000		20.00%		(1,812,200)
Margin on AH	2,577,540		6.00% on AH values		(154,652)
Profit analysis:	11,638,540		16.90% blended GDV	(1,966,852)	
	9,968,288		19.73% on costs	(1,966,852)	
TOTAL COSTS					(11,935,140)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					(296,600)
SDLT	-	@	HMRC formula		-
Acquisition Agent fees	-	@	1.0%		-
Acquisition Legal fees	-	@	0.5%		-
Interest on Land	-	@	7.00%		-
Residual Land Value					(296,600)
RLV analysis:	(5,932) £ per plot	(444,901) £ per ha (net)	(180,049) £ per acre (net)		
		(355,920) £ per ha (gross)	(144,039) £ per acre (gross)		
			-2.55% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	75.0	dph (net)			
Site Area (net)	0.67	ha (net)	1.65	acres (net)	
Net to Gross ratio	80%				
Site Area (gross)	0.83	ha (gross)	2.06	acres (gross)	
Density analysis:	5,845	sqm/ha (net)	25,462	sqft/ac (net)	
	60	dph (gross)			
Benchmark Land Value (net)	4,942 £ per plot	370,650 £ per ha (net)	150,000 £ per acre (net)		247,100
BLV analysis:		296,520 £ per ha (gross)	120,000 £ per acre (gross)		

BALANCE					
Surplus/(Deficit)		(815,551) £ per ha (net)	(330,049) £ per acre (net)		(543,700)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Extra Care

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(330,049)	5%	10%	15%	20%	25%	30%	35%
	£0	348,822	275,594	202,366	128,595	54,824	(19,176)	(96,150)
	£1,000	317,771	244,543	171,139	97,368	23,596	(51,486)	(129,182)
Site Specific S106 Contributions	£2,000	286,719	213,491	139,911	66,140	(7,631)	(84,179)	(163,349)
£6,600	£3,000	255,667	182,440	108,684	34,913	(39,777)	(117,211)	(199,450)
	£4,000	224,616	151,228	77,457	3,686	(72,208)	(150,266)	(235,656)
	£5,000	193,564	120,001	46,230	(28,068)	(105,240)	(186,367)	(271,961)
	£6,000	162,513	88,774	15,003	(60,378)	(138,272)	(222,467)	(308,266)
	£7,000	131,318	57,547	(16,359)	(93,269)	(173,284)	(258,568)	(344,571)
	£8,000	100,091	26,320	(48,669)	(126,301)	(209,384)	(294,872)	(380,876)
	£9,000	68,864	(4,908)	(81,298)	(160,201)	(245,485)	(331,177)	(417,180)
	£10,000	37,636	(36,959)	(114,331)	(196,302)	(281,586)	(367,482)	(453,485)
	£11,000	6,409	(69,327)	(147,363)	(232,402)	(317,784)	(403,787)	(489,790)
	£12,000	(25,250)	(102,360)	(183,219)	(268,503)	(354,089)	(440,092)	(526,095)
	£13,000	(57,560)	(135,392)	(219,319)	(304,604)	(390,394)	(476,397)	(562,400)
	£14,000	(90,389)	(170,136)	(255,420)	(340,705)	(426,699)	(512,702)	(598,705)
	£15,000	(123,421)	(206,236)	(291,521)	(377,000)	(463,003)	(549,007)	(635,010)
	£16,000	(157,053)	(242,337)	(327,622)	(413,305)	(499,308)	(585,311)	(671,315)
	£17,000	(193,153)	(278,438)	(363,722)	(449,610)	(535,613)	(621,616)	(707,620)
	£18,000	(229,254)	(314,539)	(399,912)	(485,915)	(571,918)	(657,921)	(743,924)
	£19,000	(265,355)	(350,639)	(436,217)	(522,220)	(608,223)	(694,226)	(780,229)
	£20,000	(301,456)	(386,740)	(472,521)	(558,525)	(644,528)	(730,531)	(816,687)
	£21,000	(337,556)	(422,841)	(508,826)	(594,829)	(680,833)	(766,836)	(853,197)
	£22,000	(373,657)	(459,128)	(545,131)	(631,134)	(717,138)	(803,141)	(889,707)
	£23,000	(409,758)	(495,433)	(581,436)	(667,439)	(753,442)	(839,446)	(926,217)
	£24,000	(445,859)	(531,738)	(617,741)	(703,744)	(789,747)	(875,914)	(962,727)
	£25,000	(482,039)	(568,043)	(654,046)	(740,049)	(826,052)	(912,424)	(999,237)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(330,049)	5%	10%	15%	20%	25%	30%	35%
	15%	491,498	399,427	307,357	215,286	123,216	31,145	(63,179)
	16%	421,960	333,549	245,139	156,728	68,317	(20,362)	(113,430)
Profit	17%	352,422	267,671	182,921	98,170	13,419	(73,527)	(165,037)
	18%	282,884	201,794	120,703	39,612	(42,489)	(127,727)	(220,041)
20%	19%	213,347	135,916	58,485	(19,175)	(100,020)	(184,893)	(275,045)
	20%	143,809	70,038	(3,733)	(80,056)	(158,843)	(244,128)	(330,049)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 50

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Extra Care

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(330,049)	5%	10%	15%	20%	25%	30%	35%
	50,000	243,809	170,038	96,267	19,944	(58,843)	(144,128)	(230,049)
	60,000	233,809	160,038	86,267	9,944	(68,843)	(154,128)	(240,049)
	70,000	223,809	150,038	76,267	(56)	(78,843)	(164,128)	(250,049)
BLV (£ per acre)	80,000	213,809	140,038	66,267	(10,056)	(88,843)	(174,128)	(260,049)
150,000	90,000	203,809	130,038	56,267	(20,056)	(98,843)	(184,128)	(270,049)
	100,000	193,809	120,038	46,267	(30,056)	(108,843)	(194,128)	(280,049)
	110,000	183,809	110,038	36,267	(40,056)	(118,843)	(204,128)	(290,049)
	120,000	173,809	100,038	26,267	(50,056)	(128,843)	(214,128)	(300,049)
	130,000	163,809	90,038	16,267	(60,056)	(138,843)	(224,128)	(310,049)
	140,000	153,809	80,038	6,267	(70,056)	(148,843)	(234,128)	(320,049)
	150,000	143,809	70,038	(3,733)	(80,056)	(158,843)	(244,128)	(330,049)
	160,000	133,809	60,038	(13,733)	(90,056)	(168,843)	(254,128)	(340,049)
	170,000	123,809	50,038	(23,733)	(100,056)	(178,843)	(264,128)	(350,049)
	180,000	113,809	40,038	(33,733)	(110,056)	(188,843)	(274,128)	(360,049)
	190,000	103,809	30,038	(43,733)	(120,056)	(198,843)	(284,128)	(370,049)
	200,000	93,809	20,038	(53,733)	(130,056)	(208,843)	(294,128)	(380,049)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(330,049)	5%	10%	15%	20%	25%	30%	35%
	15	(129,907)	(145,437)	(162,071)	(179,127)	(196,275)	(213,476)	(230,677)
	18	(118,277)	(136,210)	(154,829)	(174,729)	(194,682)	(214,750)	(234,817)
Density (dph)	20	(106,869)	(127,001)	(147,793)	(170,330)	(193,089)	(216,023)	(238,958)
75.00	23	(95,474)	(117,914)	(141,167)	(165,931)	(191,517)	(217,297)	(243,098)
	25	(84,080)	(108,828)	(134,541)	(161,533)	(189,961)	(218,571)	(247,239)
	28	(72,686)	(99,742)	(127,915)	(157,134)	(188,405)	(219,845)	(251,379)
	30	(61,291)	(90,800)	(121,289)	(152,735)	(186,849)	(221,118)	(255,520)
	33	(49,897)	(81,864)	(114,663)	(148,478)	(185,293)	(222,392)	(259,660)
	35	(38,502)	(72,929)	(108,104)	(144,453)	(183,737)	(223,666)	(263,801)
	38	(27,108)	(63,993)	(101,562)	(140,428)	(182,182)	(224,940)	(267,941)
	40	(15,713)	(55,058)	(95,020)	(136,404)	(180,626)	(226,213)	(272,082)
	43	(4,319)	(46,123)	(88,479)	(132,379)	(179,070)	(227,487)	(276,222)
	45	7,075	(37,187)	(81,937)	(128,354)	(177,514)	(228,761)	(280,363)
	48	18,470	(28,252)	(75,395)	(124,329)	(175,958)	(230,034)	(284,503)
	50	29,864	(19,316)	(68,853)	(120,304)	(174,402)	(231,308)	(288,644)
	53	41,259	(10,381)	(62,311)	(116,280)	(172,846)	(232,582)	(292,784)

251007_Isle of Wight Retirement Appraisal_V_Y_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: **50**

Greenfield/Brownfield:

Brownfield

Lower Quartile BCIS : 35% AH - Extra Care

TABLE 5		Affordable Housing - % on site 35%							
Balance (RLV - BLV £ per acre (n))	(330,049)	5%	10%	15%	20%	25%	30%	35%	
Build Cost 100% (105% = 5% increase)	80%	1,062,141	983,216	904,290	825,365	746,305	666,880	587,454	
	85%	833,403	756,018	678,224	600,348	522,471	444,595	366,719	
	90%	603,944	527,618	451,291	374,964	298,638	222,035	145,148	
	95%	373,913	299,136	224,359	149,153	73,824	(1,506)	(79,348)	
	100%	143,809	70,038	(3,733)	(80,056)	(158,843)	(244,128)	(330,049)	
	105%	(90,654)	(168,624)	(252,108)	(335,591)	(419,744)	(503,936)	(588,127)	
	110%	(352,577)	(434,306)	(516,686)	(599,066)	(681,446)	(763,826)	(846,526)	
	115%	(620,874)	(701,442)	(782,011)	(862,579)	(943,369)	(1,024,716)	(1,106,064)	
	120%	(889,822)	(968,579)	(1,047,499)	(1,127,024)	(1,206,550)	(1,286,076)	(1,498,553)	

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)							
Balance (RLV - BLV £ per acre (n))	(330,049)	75%	80%	85%	90%	95%	100%	105%	
Market Values 100% (105% = 5% increase)	80%	63,223	(167,495)	(425,559)	(683,803)	(943,341)	(1,690,980)	(3,558,338)	
	85%	250,192	28,209	(208,123)	(466,201)	(724,484)	(984,022)	(1,642,874)	
	90%	436,253	215,177	(6,806)	(248,765)	(506,843)	(765,165)	(1,024,703)	
	95%	622,221	401,486	180,163	(42,842)	(289,407)	(547,485)	(805,845)	
	100%	808,083	587,454	366,719	145,148	(79,348)	(330,049)	(588,127)	
	105%	993,163	773,422	552,687	331,952	110,133	(116,387)	(370,691)	
	110%	1,178,244	958,750	738,655	517,920	297,102	75,119	(153,743)	
	115%	1,363,325	1,143,831	924,337	703,888	483,153	262,087	40,104	
	120%	1,547,986	1,328,911	1,109,418	889,856	669,121	448,386	227,073	

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251007_Isle of Wight Retirement Appraisal_V_Y_v1 - Summary Table

Appraisal Ref:	V	W	X	Y
No Units:	50	50	50	50
Location / Value Zone:	Island Wide	Island Wide	Island Wide	Island Wide
Greenfield/Brownfield:	Greenfield	Brownfield	Greenfield	Brownfield
Notes/Comments:	Lower Quartile BCIS : 35% AH - Sheltered Housing	Lower Quartile BCIS : 35% AH - Sheltered Housing	Lower Quartile BCIS : 35% AH - Extra Care	Lower Quartile BCIS : 35% AH - Extra Care
Total GDV (£)	9,489,840	9,489,840	11,638,540	11,638,540
Policy Assumptions	-	-	-	-
AH Target % (& mix):	35%	35%	35%	35%
Site Specific S106 (£ per unit)	6,600	6,600	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600	6,600	6,600
Profit KPI's	-	-	-	-
Developers Profit (% on OMS)	20.0%	20.0%	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%	6.0%	6.0%
Developers Profit (% blended)	16.90%	16.90%	16.90%	16.90%
Developers Profit (% on costs)	14.04%	12.38%	20.17%	19.73%
Developers Profit Total (£)	1,603,605	1,603,605	1,966,852	1,966,852
Land Value KPI's	-	-	-	-
RLV (£/acre (net))	(2,147,764)	(3,078,469)	(47,021)	(180,049)
RLV (£/ha (net))	(5,307,124)	(7,606,896)	(116,190)	(444,901)
RLV (% of GDV)	-37.28%	-53.44%	-0.67%	-2.55%
RLV Total (£)	(3,538,083)	(5,071,264)	(77,460)	(296,600)
BLV (£/acre (net))	150,000	150,000	150,000	150,000
BLV (£/ha (net))	370,650	370,650	370,650	370,650
BLV Total (£)	247,100	247,100	247,100	247,100
Surplus/Deficit (£/acre) [RLV-BLV]	(2,297,764)	(3,228,469)	(197,021)	(330,049)
Surplus/Deficit (£/ha)	(5,677,774)	(7,977,546)	(486,840)	(815,551)
Surplus/Deficit Total (£)	(3,785,183)	(5,318,364)	(324,560)	(543,700)
Viability	Not Viable	Not Viable	Not Viable	Not Viable

251008_Isle of Wight Residential Appraisal_S_T_v1 - Version Notes

Date	Version	Comments	Updated by who
251008	v1	For Issue	AS

251008_Isle of Wight Residential Appraisal_S_T_v1

Appraisal Ref: **S** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Island Wide** No Units: **35**
 Notes/Comments: Median BCIS : 35% AH - Flatted Scheme Greenfield/Brownfield: **Brownfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme			35 Units						
AH Policy requirement (% Target)			35%						
Open Market Sale (OMS) housing			65%						
AH tenure split %			80.0%						
Open Market Sale (OMS)			65%						
Affordable Rent:			80.0%						
Social Rent:			0.0%						
First Homes:			0.0%						
Other Intermediate (LCHO/Sub-Market etc.):			20.0%						
			100%						
CIL Rate (£ psm)			0.00 £ psm						
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
4 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
5 bed House	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
1 bed Flat	35.0%	8.0	75.0%	7.4	30.0%	0.7	46%	16.0	
2 bed Flat	65.0%	14.8	25.0%	2.5	70.0%	1.7	54%	19.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	22.8	100%	9.8	100%	2.5	100%	35.0	
Net area per unit									
OMS Floor areas, per Unit -		(sqm)	(sqft)	Net to Gross %		Garage area	Gross (GIA) per unit		
				%		(sqm)	(sqft)		
1 bed House		55.0	592				55.0		
2 bed House		78.0	840				78.0		
3 bed House		97.0	1,044			0.0	97.0		
4 bed House		128.0	1,378			0.0	128.0		
5 bed House		160.0	1,722			0.0	160.0		
1 bed Flat		55.0	592	85.0%			64.7		
2 bed Flat		70.0	753	85.0%			82.4		
3 bed Flat		0.0	0	85.0%			0.0		
Net area per unit									
AH Floor areas, per Unit -		(sqm)	(sqft)	Net to Gross %		Garage area	Gross (GIA) per unit		
				%		(sqm)	(sqft)		
1 bed House		55.0	592				55.0		
2 bed House		78.0	840				78.0		
3 bed House		97.0	1,044			0.0	97.0		
4 bed House		128.0	1,378			0.0	128.0		
5 bed House		160.0	1,722			0.0	160.0		
1 bed Flat		55.0	592	85.0%			64.7		
2 bed Flat		70.0	753	85.0%			82.4		
3 bed Flat		0.0	0	85.0%			0.0		
OMS Units GIA									
Total Gross Overall Floor areas -		(sqm)	(sqft)	AH units GIA		Total GIA (all units)			
				(sqm)		(sqft)			
1 bed House		0	0	0		0			
2 bed House		0	0	0		0			
3 bed House		0	0	0		0			
4 bed House		0	0	0		0			
5 bed House		0	0	0		0			
1 bed Flat		515	5,546	523		5,631			
2 bed Flat		1,218	13,108	343		3,692			
3 bed Flat		0	0	0		0			
		1,733	18,654	866		9,323			
						2,599			
						27,977			
AH % by floor area:									
33.32% AH % by floor area (difference due to mix)									
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	190,000	3,455	321	3,455	321	0			
2 bed House	275,000	3,526	328	3,526	328	0			
3 bed House	400,000	4,124	383	4,124	383	0			
4 bed House	550,000	4,297	399	4,297	399	0			
5 bed House	625,000	3,906	363	3,906	363	0			
1 bed Flat	190,000	3,455	321	2,936	273	3,049,025			
2 bed Flat	242,000	3,457	321	2,939	273	4,586,505			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						7,635,530			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed House	151,250	55%	0	0%	0	0%	165,000	60%	
3 bed House	220,000	55%	0	0%	0	0%	240,000	60%	
4 bed House	302,500	55%	0	0%	0	0%	330,000	60%	
5 bed House	343,750	55%	0	0%	0	0%	375,000	60%	
1 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

* capped @£250K

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Median BCIS : 35% AH - Flatted Scheme

No Units: 35

Greenfield/Brownfield:

Brownfield

GROSS DEVELOPMENT VALUE					
OMS GDV -					
	(part houses due to % mix)				
1 bed House	0.0	@	190,000	-	
2 bed House	0.0	@	275,000	-	
3 bed House	0.0	@	400,000	-	
4 bed House	0.0	@	550,000	-	
5 bed House	0.0	@	625,000	-	
1 bed Flat	8.0	@	190,000	1,512,875	
2 bed Flat	14.8	@	242,000	3,578,575	
3 bed Flat	0.0	@	0	-	
	22.8			5,091,450	
Affordable Rent GDV -					
1 bed House	0.0	@	104,500	-	
2 bed House	0.0	@	151,250	-	
3 bed House	0.0	@	220,000	-	
4 bed House	0.0	@	302,500	-	
5 bed House	0.0	@	343,750	-	
1 bed Flat	7.4	@	104,500	768,075	
2 bed Flat	2.5	@	133,100	326,095	
3 bed Flat	0.0	@	0	-	
	9.8			1,094,170	
Social Rent GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0			-	
First Homes GDV -					
1 bed House	0.0	@	0	-	
2 bed House	0.0	@	0	-	
3 bed House	0.0	@	0	-	
4 bed House	0.0	@	0	-	
5 bed House	0.0	@	0	-	
1 bed Flat	0.0	@	0	-	
2 bed Flat	0.0	@	0	-	
3 bed Flat	0.0	@	0	-	
	0.0			-	
Other Intermediate GDV -					
1 bed House	0.0	@	114,000	-	
2 bed House	0.0	@	165,000	-	
3 bed House	0.0	@	240,000	-	
4 bed House	0.0	@	330,000	-	
5 bed House	0.0	@	375,000	-	
1 bed Flat	0.7	@	114,000	83,790	
2 bed Flat	1.7	@	145,200	249,018	
3 bed Flat	0.0	@	0	-	
	2.5	12.3		332,808	
Sub-total GDV Residential					
	35			6,518,428	
AH on-site cost analysis:					
	430 £ psm (total GIA sqm)		£MV (no AH) less £GDV (inc. AH)	1,117,102	
			31,917 £ per unit (total units)		
Grant					
	12	AH units @	0 per unit	-	
Total GDV					
				6,518,428	

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Median BCIS : 35% AH - Flatted Scheme

No Units: 35

Greenfield/Brownfield:

Brownfield

DEVELOPMENT COSTS

Initial Payments -

Statutory Planning Fees (Residential)	01-Apr-25		(capped at £411,885)	22,225 £	(22,225)
Planning Application Professional Fees, Surveys and reports			(capped at £1,500,000)	88,900 £	(88,900)
CIL (Mrkt only inc. garages)	Max	1,733 sqm	0.00 £ psm		-
CIL analysis:		0.00% % of GDV	0 £ per unit (total units)		
Site Specific S106	Year 1		0		-
(strategic site cashflow yrs 1-15)	Year 2		0		-
	Year 3		0		-
	Year 4		0		-
	Year 5		0		-
	Year 6		0		-
	Year 7		0		-
	Year 8		0		-
	Year 9		0		-
	Year 10		0		-
	Year 11		0		-
	Year 12		0		-
	Year 13		0		-
	Year 14		0		-
	Year 15		0		-
Site Specific S106 (installment)		35 units @	6,600 per unit		(231,000)
S106 analysis:		495,000 £ per ha	3.54% % of GDV	6,600 £ per unit (total units)	(231,000)
AH Commuted Sum		2,599 sqm (total)	0 £ psm		-
Comm. Sum analysis:		0.00% % of GDV			

Construction Costs -

Site Clearance, Demolition & Remediation		0.47 ha @	110,000 £ per ha (if brownfield)		(51,333)
Site Infrastructure costs	Year 1	0			-
(strategic site cashflow yrs 1-15)	Year 2	0			-
	Year 3	0			-
	Year 4	0			-
	Year 5	0			-
	Year 6	0			-
	Year 7	0			-
	Year 8	0			-
	Year 9	0			-
	Year 10	0			-
	Year 11	0			-
	Year 12	0			-
	Year 13	0			-
	Year 14	0			-
	Year 15	0			-
Years 1-15		35 units @	6,600 per unit		(231,000)
Sub-total					(231,000)
Infra. Costs analysis:		495,000 £ per ha	3.54% % of GDV	6,600 £ per unit (total units)	
1 bed House	-	- sqm @	1,797 psm		-
2 bed House	-	- sqm @	1,797 psm		-
3 bed House (EXC. garage)	-	- sqm @	1,797 psm		-
4 bed House (EXC. garage)	-	- sqm @	1,797 psm		-
5 bed House (EXC. garage)	-	- sqm @	1,797 psm		-
1 bed Flat	1,038	sqm @	2,029 psm		(2,106,848)
2 bed Flat	1,561	sqm @	2,029 psm		(3,166,851)
3 bed Flat	-	- sqm @	2,029 psm		-
Garages for 3B House	-	0 sqm @	500 psm		-
Garages for 4B House	-	0 sqm @	500 psm		-
Garages for 5B House	-	0 sqm @	500 psm		-
Total GIA check:		2,599 £ per garage	£0		
External works		5,273,699 @	5.0%		(263,685)
Ext. Works analysis:			7,534 £ per unit (total units)		
Policy Costs on design -					
Building Safety Levy		35 units @	0 £ per unit		-
Net Biodiversity costs		35 units @	287 £ per unit		(10,045)
M4(3) Category 3 Housing	OMS units	22.8 units @	10%	10,000 £ per unit	(22,750)
M4(3) Category 3 Housing	Aff units	12.3 units @	30%	10,000 £ per unit	(36,750)
Part L/FHS - Houses		35 units @		5,000 £ per unit	(175,000)
Part L/FHS - Flats		0 units @		2,260 £ per unit	(791)
Part L/FHS analysis:			3.3% % of BCIS costs		
Water Efficiency		35 units @	9 £ per unit		(315)
Carbon / Energy Reduction		35 units @	0 £ per unit		-
Sub-total					(245,651)
Policy Costs analysis: (design costs only)			7,019 £ per unit (total units)		
			4.7% % of BCIS costs		
Contingency (on construction)		6,065,369 @	5.0%		(303,268)

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Median BCIS : 35% AH - Flatted Scheme

No Units: **35**

Greenfield/Brownfield:

Brownfield

Professional Fees	6,065,369 @	8.0%		(485,229)
Disposal Costs -				
OMS Marketing and Promotion	5,091,450 OMS @	1.50%	2,182 £ per unit	(76,372)
Residential Sales Agent Costs	5,091,450 OMS @	1.50%	2,182 £ per unit	(76,372)
Residential Sales Legal Costs	5,091,450 OMS @	0.50%	727 £ per unit	(25,457)
Affordable Sale Legal Costs			lump sum	(10,000)
Empty Property Costs				-
Disposal Cost analysis:			5,377 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00% APR	0.565% pcm		(7,468,546)
Developers Profit -				
Profit on OMS	5,091,450	20.00%		(1,018,290)
Margin on AH	1,426,978	6.00% on AH values		(85,619)
Profit analysis:	6,518,428	16.94% blended GDV	(1,103,909)	
	14,852,738	7.43% on costs	(1,103,909)	
TOTAL COSTS				(15,956,647)

RESIDUAL LAND VALUE (RLV)				
Residual Land Value (gross)				(9,438,219)
SDLT	- @	HMRC formula		-
Acquisition Agent fees	- @	1.0%		-
Acquisition Legal fees	- @	0.5%		-
Interest on Land	- @	7.00%		-
Residual Land Value				(9,438,219)
RLV analysis:	(269,663) £ per plot	(20,224,754) £ per ha (net)	(8,184,846) £ per acre (net)	
		(15,168,566) £ per ha (gross)	(6,138,634) £ per acre (gross)	
			-144.79% % RLV / GDV	

BENCHMARK LAND VALUE (BLV)				
Residential Density	75.0 dph (net)			
Site Area (net)	0.47 ha (net)	1.15 acres (net)		
Net to Gross ratio	75%			
Site Area (gross)	0.62 ha (gross)	1.54 acres (gross)		
Density analysis:	5,570 sqm/ha (net)	24,262 sqft/ac (net)		
	56 dph (gross)			
Benchmark Land Value (net)	4,942 £ per plot	370,650 £ per ha (net)	150,000 £ per acre (net)	172,970
BLV analysis:		277,988 £ per ha (gross)	112,500 £ per acre (gross)	

BALANCE				
Surplus/(Deficit)	(20,595,404) £ per ha (net)	(8,334,846) £ per acre (net)		(9,611,189)

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Median BCIS : 35% AH - Flatted Scheme

No Units: 35

Greenfield/Brownfield:

Brownfield

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
	£0	(1,385,294)	(1,913,077)	(2,850,682)	(3,788,288)	(4,725,893)	(5,663,499)	(6,601,104)
	£1,000	(1,421,804)	(2,175,765)	(3,113,370)	(4,050,976)	(4,988,581)	(5,926,187)	(6,863,792)
Site Specific S106 Contributions	£2,000	(1,500,950)	(2,438,453)	(3,376,058)	(4,313,664)	(5,251,269)	(6,188,875)	(7,126,480)
£6,600	£3,000	(1,763,536)	(2,701,141)	(3,638,747)	(4,576,352)	(5,513,958)	(6,451,563)	(7,389,169)
	£4,000	(2,026,224)	(2,963,829)	(3,901,435)	(4,839,040)	(5,776,646)	(6,714,251)	(7,651,857)
	£5,000	(2,288,912)	(3,226,518)	(4,164,123)	(5,101,728)	(6,039,334)	(6,976,939)	(7,914,545)
	£6,000	(2,551,600)	(3,489,206)	(4,426,811)	(5,364,417)	(6,302,022)	(7,239,628)	(8,177,233)
	£7,000	(2,814,288)	(3,751,894)	(4,689,499)	(5,627,105)	(6,564,710)	(7,502,316)	(8,439,921)
	£8,000	(3,076,977)	(4,014,582)	(4,952,188)	(5,889,793)	(6,827,398)	(7,765,004)	(8,702,609)
	£9,000	(3,339,665)	(4,277,270)	(5,214,876)	(6,152,481)	(7,090,087)	(8,027,692)	(8,965,298)
	£10,000	(3,602,353)	(4,539,958)	(5,477,564)	(6,415,169)	(7,352,775)	(8,290,380)	(9,227,986)
	£11,000	(3,865,041)	(4,802,647)	(5,740,252)	(6,677,858)	(7,615,463)	(8,553,068)	(9,490,674)
	£12,000	(4,127,729)	(5,065,335)	(6,002,940)	(6,940,546)	(7,878,151)	(8,815,757)	(9,753,362)
	£13,000	(4,390,417)	(5,328,023)	(6,265,628)	(7,203,234)	(8,140,839)	(9,078,445)	(10,016,050)
	£14,000	(4,653,106)	(5,590,711)	(6,528,317)	(7,465,922)	(8,403,528)	(9,341,133)	(10,278,738)
	£15,000	(4,915,794)	(5,853,399)	(6,791,005)	(7,728,610)	(8,666,216)	(9,603,821)	(10,541,427)
	£16,000	(5,178,482)	(6,116,087)	(7,053,693)	(7,991,298)	(8,928,904)	(9,866,509)	(10,804,115)
	£17,000	(5,441,170)	(6,378,776)	(7,316,381)	(8,253,987)	(9,191,592)	(10,129,197)	(11,066,803)
	£18,000	(5,703,858)	(6,641,464)	(7,579,069)	(8,516,675)	(9,454,280)	(10,391,886)	(11,329,491)
	£19,000	(5,966,546)	(6,904,152)	(7,841,757)	(8,779,363)	(9,716,968)	(10,654,574)	(11,592,179)
	£20,000	(6,229,235)	(7,166,840)	(8,104,446)	(9,042,051)	(9,979,657)	(10,917,262)	(11,854,867)
	£21,000	(6,491,923)	(7,429,528)	(8,367,134)	(9,304,739)	(10,242,345)	(11,179,950)	(12,117,556)
	£22,000	(6,754,611)	(7,692,216)	(8,629,822)	(9,567,427)	(10,505,033)	(11,442,638)	(12,380,244)
	£23,000	(7,017,299)	(7,954,905)	(8,892,510)	(9,830,116)	(10,767,721)	(11,705,327)	(12,642,932)
	£24,000	(7,279,987)	(8,217,593)	(9,155,198)	(10,092,804)	(11,030,409)	(11,968,015)	(12,905,620)
	£25,000	(7,542,676)	(8,480,281)	(9,417,886)	(10,355,492)	(11,293,097)	(12,230,703)	(13,168,308)

TABLE 2

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
	15%	(2,386,555)	(3,341,143)	(4,295,730)	(5,250,318)	(6,204,905)	(7,159,493)	(8,114,080)
	16%	(2,451,087)	(3,402,278)	(4,353,469)	(5,304,660)	(6,255,851)	(7,207,042)	(8,158,233)
Profit	17%	(2,515,618)	(3,463,413)	(4,411,208)	(5,359,002)	(6,306,797)	(7,254,592)	(8,202,386)
20%	18%	(2,580,150)	(3,524,548)	(4,468,947)	(5,413,345)	(6,357,743)	(7,302,141)	(8,246,540)
	19%	(2,644,682)	(3,585,683)	(4,526,685)	(5,467,687)	(6,408,689)	(7,349,691)	(8,290,693)
	20%	(2,709,213)	(3,646,819)	(4,584,424)	(5,522,030)	(6,459,635)	(7,397,240)	(8,334,846)

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

No Units: 35

Greenfield/Brownfield:

Brownfield

Median BCIS : 35% AH - Flatted Scheme

TABLE 3

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
BLV (£ per acre) 150,000	50,000	(2,609,213)	(3,546,819)	(4,484,424)	(5,422,030)	(6,359,635)	(7,297,240)	(8,234,846)
	60,000	(2,619,213)	(3,556,819)	(4,494,424)	(5,432,030)	(6,369,635)	(7,307,240)	(8,244,846)
	70,000	(2,629,213)	(3,566,819)	(4,504,424)	(5,442,030)	(6,379,635)	(7,317,240)	(8,254,846)
	80,000	(2,639,213)	(3,576,819)	(4,514,424)	(5,452,030)	(6,389,635)	(7,327,240)	(8,264,846)
	90,000	(2,649,213)	(3,586,819)	(4,524,424)	(5,462,030)	(6,399,635)	(7,337,240)	(8,274,846)
	100,000	(2,659,213)	(3,596,819)	(4,534,424)	(5,472,030)	(6,409,635)	(7,347,240)	(8,284,846)
	110,000	(2,669,213)	(3,606,819)	(4,544,424)	(5,482,030)	(6,419,635)	(7,357,240)	(8,294,846)
	120,000	(2,679,213)	(3,616,819)	(4,554,424)	(5,492,030)	(6,429,635)	(7,367,240)	(8,304,846)
	130,000	(2,689,213)	(3,626,819)	(4,564,424)	(5,502,030)	(6,439,635)	(7,377,240)	(8,314,846)
	140,000	(2,699,213)	(3,636,819)	(4,574,424)	(5,512,030)	(6,449,635)	(7,387,240)	(8,324,846)
	150,000	(2,709,213)	(3,646,819)	(4,584,424)	(5,522,030)	(6,459,635)	(7,397,240)	(8,334,846)
	160,000	(2,719,213)	(3,656,819)	(4,594,424)	(5,532,030)	(6,469,635)	(7,407,240)	(8,344,846)
	170,000	(2,729,213)	(3,666,819)	(4,604,424)	(5,542,030)	(6,479,635)	(7,417,240)	(8,354,846)
	180,000	(2,739,213)	(3,676,819)	(4,614,424)	(5,552,030)	(6,489,635)	(7,427,240)	(8,364,846)
	190,000	(2,749,213)	(3,686,819)	(4,624,424)	(5,562,030)	(6,499,635)	(7,437,240)	(8,374,846)
	200,000	(2,759,213)	(3,696,819)	(4,634,424)	(5,572,030)	(6,509,635)	(7,447,240)	(8,384,846)

TABLE 4

		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
Density (dph) 75.00	15	(985,034)	(1,172,556)	(1,360,077)	(1,547,598)	(1,735,119)	(1,922,640)	(2,110,161)
	18	(1,056,875)	(1,275,650)	(1,494,424)	(1,713,199)	(1,931,974)	(2,150,748)	(2,369,523)
	20	(1,128,716)	(1,378,744)	(1,628,772)	(1,878,800)	(2,128,828)	(2,378,857)	(2,628,885)
	23	(1,200,557)	(1,481,838)	(1,763,120)	(2,044,402)	(2,325,683)	(2,606,965)	(2,888,247)
	25	(1,272,398)	(1,584,933)	(1,897,468)	(2,210,003)	(2,522,538)	(2,835,073)	(3,147,608)
	28	(1,344,238)	(1,688,027)	(2,031,816)	(2,375,604)	(2,719,393)	(3,063,182)	(3,406,970)
	30	(1,416,079)	(1,791,121)	(2,166,163)	(2,541,206)	(2,916,248)	(3,291,290)	(3,666,332)
	33	(1,487,920)	(1,894,216)	(2,300,511)	(2,706,807)	(3,113,103)	(3,519,398)	(3,925,694)
	35	(1,559,761)	(1,997,310)	(2,434,859)	(2,872,408)	(3,309,958)	(3,747,507)	(4,185,056)
	38	(1,631,601)	(2,100,404)	(2,569,207)	(3,038,010)	(3,506,812)	(3,975,615)	(4,444,418)
	40	(1,703,442)	(2,203,498)	(2,703,555)	(3,203,611)	(3,703,667)	(4,203,723)	(4,703,780)
	43	(1,775,283)	(2,306,593)	(2,837,903)	(3,369,212)	(3,900,522)	(4,431,832)	(4,963,142)
	45	(1,847,124)	(2,409,687)	(2,972,250)	(3,534,814)	(4,097,377)	(4,659,940)	(5,222,503)
	48	(1,918,965)	(2,512,781)	(3,106,598)	(3,700,415)	(4,294,232)	(4,888,049)	(5,481,865)
	50	(1,990,805)	(2,615,876)	(3,240,946)	(3,866,016)	(4,491,087)	(5,116,157)	(5,741,227)
	53	(2,062,646)	(2,718,970)	(3,375,294)	(4,031,618)	(4,687,941)	(5,344,265)	(6,000,589)

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Island Wide

Median BCIS : 35% AH - Flatted Scheme

No Units: 35

Greenfield/Brownfield:

Brownfield

TABLE 5		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
Build Cost 100% (105% = 5% increase)	80%	(445,280)	(529,759)	(614,239)	(698,719)	(783,355)	(868,572)	(953,789)
	85%	(739,559)	(822,978)	(906,732)	(990,882)	(1,075,033)	(1,159,183)	(2,085,085)
	90%	(1,034,374)	(1,117,458)	(1,200,542)	(1,309,588)	(2,262,435)	(3,215,387)	(4,168,339)
	95%	(1,330,318)	(1,525,210)	(2,470,477)	(3,415,756)	(4,361,035)	(5,306,314)	(6,251,592)
	100%	(2,709,213)	(3,646,819)	(4,584,424)	(5,522,030)	(6,459,635)	(7,397,240)	(8,334,846)
	105%	(4,838,506)	(5,768,439)	(6,698,371)	(7,628,303)	(8,558,235)	(9,488,167)	(10,418,100)
	110%	(6,967,800)	(7,890,059)	(8,812,317)	(9,734,576)	(10,656,835)	(11,579,094)	(12,501,353)
	115%	(9,097,093)	(10,011,679)	(10,926,264)	(11,840,850)	(12,755,435)	(13,670,021)	(14,584,607)
	120%	(11,226,386)	(12,133,298)	(13,040,211)	(13,947,123)	(14,854,036)	(15,760,948)	(16,667,860)

TABLE 6		Build cost 100% (where 105% is a 5% increase, and 95% is a 5% decrease etc.)						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	75%	80%	85%	90%	95%	100%	105%
Market Values 100% (105% = 5% increase)	80%	(4,068,951)	(6,152,205)	(8,235,458)	(10,318,712)	(12,401,965)	(14,485,219)	(16,568,473)
	85%	(2,531,358)	(4,614,611)	(6,697,865)	(8,781,119)	(10,864,372)	(12,947,626)	(15,030,879)
	90%	(1,015,609)	(3,077,018)	(5,160,272)	(7,243,525)	(9,326,779)	(11,410,032)	(13,493,286)
	95%	(839,927)	(1,539,425)	(3,622,678)	(5,705,932)	(7,789,186)	(9,872,439)	(11,955,693)
	100%	(664,245)	(953,789)	(2,085,085)	(4,168,339)	(6,251,592)	(8,334,846)	(10,418,100)
	105%	(489,700)	(778,107)	(1,067,651)	(2,630,746)	(4,713,999)	(6,797,253)	(8,880,506)
	110%	(315,158)	(603,075)	(891,969)	(1,181,513)	(3,176,406)	(5,259,659)	(7,342,913)
	115%	(141,893)	(428,533)	(716,450)	(1,005,831)	(1,638,813)	(3,722,066)	(5,805,320)
	120%	15,821	(253,991)	(541,908)	(830,149)	(1,119,693)	(2,184,473)	(4,267,727)

TABLE 7		Affordable Housing - % on site 35%						
Balance (RLV - BLV £ per acre (n))	(8,334,846)	5%	10%	15%	20%	25%	30%	35%
Carbon/Energy Reduction/FHS £0.00 £ per dwelling	£0	(2,709,213)	(3,646,819)	(4,584,424)	(5,522,030)	(6,459,635)	(7,397,240)	(8,334,846)
	£2,000	(3,235,916)	(4,173,521)	(5,111,127)	(6,048,732)	(6,986,338)	(7,923,943)	(8,861,549)
	£4,000	(3,762,618)	(4,700,224)	(5,637,829)	(6,575,435)	(7,513,040)	(8,450,646)	(9,388,251)
	£6,000	(4,289,321)	(5,226,927)	(6,164,532)	(7,102,138)	(8,039,743)	(8,977,348)	(9,914,954)
	£8,000	(4,816,024)	(5,753,629)	(6,691,235)	(7,628,840)	(8,566,446)	(9,504,051)	(10,441,657)
	£10,000	(5,342,726)	(6,280,332)	(7,217,937)	(8,155,543)	(9,093,148)	(10,030,754)	(10,968,359)
	£12,000	(5,869,429)	(6,807,035)	(7,744,640)	(8,682,246)	(9,619,851)	(10,557,456)	(11,495,062)
	£14,000	(6,396,132)	(7,333,737)	(8,271,343)	(9,208,948)	(10,146,554)	(11,084,159)	(12,021,765)
	£16,000	(6,922,834)	(7,860,440)	(8,798,045)	(9,735,651)	(10,673,256)	(11,610,862)	(12,548,467)

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251008_Isle of Wight Residential Appraisal_S_T_v1

Appraisal Ref: **T** (see Typologies Matrix)
 Scheme Typology:
 Site Typology: Location / Value Zone: **Higher** No Units: **8**
 Notes/Comments: **Median BCIS : 100% AH - Rural Exception Site** Greenfield/Brownfield: **Greenfield**

ASSUMPTIONS - RESIDENTIAL USES									
Total number of units in scheme				8 Units					
AH Policy requirement (% Target)				100%					
Open Market Sale (OMS) housing				0%					
AH tenure split %				Open Market Sale (OMS)					
				Affordable Rent:		80.0%			
				Social Rent:		0.0%		80.0% % Rented	
				First Homes:		0.0%			
				Other Intermediate (LCHO/Sub-Market etc.):		20.0%		20.0% % of total (>10% First Homes PPG 023)	
						100%		100.0%	
CIL Rate (£ psm)				0.00 £ psm					
Unit Mix -									
	OMS Unit mix%	MV # units	AH Rent mix%	AH Rent # units	AH Int mix%	AH Int # units	Overall mix%	Total # units	
1 bed House	5.0%	0.0	40.0%	2.6	20.0%	0.3	36%	2.9	
2 bed House	30.0%	0.0	30.0%	1.9	40.0%	0.6	32%	2.6	
3 bed House	40.0%	0.0	25.0%	1.6	30.0%	0.5	26%	2.1	
4 bed House	20.0%	0.0	5.0%	0.3	5.0%	0.1	5%	0.4	
5 bed House	5.0%	0.0	0.0%	0.0	5.0%	0.1	1%	0.1	
1 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
2 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
3 bed Flat	0.0%	0.0	0.0%	0.0	0.0%	0.0	0%	0.0	
Total number of units	100.0%	0.0		6.4	100%	1.6	100%	8.0	
OMS Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)	
1 bed House	55.0	592				55.0		592	
2 bed House	78.0	840				78.0		840	
3 bed House	97.0	1,044			0.0	97.0		1,044	
4 bed House	128.0	1,378			0.0	128.0		1,378	
5 bed House	160.0	1,722			0.0	160.0		1,722	
1 bed Flat	55.0	592		85.0%		64.7		696	
2 bed Flat	70.0	753		85.0%		82.4		886	
3 bed Flat	0.0	0		85.0%		0.0		0	
AH Floor areas, per Unit -									
	Net area per unit (sqm)	(sqft)		Net to Gross %	Garage area (sqm)	Gross (GIA) per unit (sqm)		(sqft)	
1 bed House	55.0	592				55.0		592	
2 bed House	78.0	840				78.0		840	
3 bed House	97.0	1,044			0.0	97.0		1,044	
4 bed House	128.0	1,378			0.0	128.0		1,378	
5 bed House	160.0	1,722			0.0	160.0		1,722	
1 bed Flat	55.0	592		85.0%		64.7		696	
2 bed Flat	70.0	753		85.0%		82.4		886	
3 bed Flat	0.0	0		85.0%		0.0		0	
Total Gross Overall Floor areas -									
	OMS Units GIA (sqm)	(sqft)		AH units GIA (sqm)	(sqft)	Total GIA (all units) (sqm)		(sqft)	
1 bed House	0	0		158	1,705	158		1,705	
2 bed House	0	0		200	2,149	200		2,149	
3 bed House	0	0		202	2,172	202		2,172	
4 bed House	0	0		51	551	51		551	
5 bed House	0	0		13	138	13		138	
1 bed Flat	0	0		0	0	0		0	
2 bed Flat	0	0		0	0	0		0	
3 bed Flat	0	0		0	0	0		0	
	0	0		624	6,715	624		6,715	
AH % by floor area:				100.00% AH % by floor area (difference due to mix)					
Open Market Sales values (£) -									
	£ OMS (per unit)	£ psm (net)	£ psf (net)	£ psm (gross)	£ psf (gross)	total MV £ (no AH)			
1 bed House	190,000	3,455	321	3,455	321	547,200			
2 bed House	275,000	3,526	328	3,526	328	704,000			
3 bed House	400,000	4,124	383	4,124	383	832,000			
4 bed House	550,000	4,297	399	4,297	399	220,000			
5 bed House	625,000	3,906	363	3,906	363	50,000			
1 bed Flat	190,000	3,455	321	2,936	273	0			
2 bed Flat	242,000	3,457	321	2,939	273	0			
3 bed Flat		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	0			
						2,353,200			
Affordable Housing values (£) -									
	Aff. Rent £	% of MV	Social Rent £	% of MV	First Homes £*	% of MV	Other Int. £	% of MV	
1 bed House	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed House	151,250	55%	0	0%	0	0%	165,000	60%	
3 bed House	220,000	55%	0	0%	0	0%	240,000	60%	
4 bed House	302,500	55%	0	0%	0	0%	330,000	60%	
5 bed House	343,750	55%	0	0%	0	0%	375,000	60%	
1 bed Flat	104,500	55%	0	0%	0	0%	114,000	60%	
2 bed Flat	133,100	55%	0	0%	0	0%	145,200	60%	
3 bed Flat	0	55%	0	0%	0	0%	0	60%	
* capped @£250K									

* capped @£250K

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: 8

Greenfield/Brownfield:

Greenfield

Median BCIS : 100% AH - Rural Exception Site

GROSS DEVELOPMENT VALUE				
OMS GDV - (part houses due to % mix)				
1 bed House	0.0	@	190,000	-
2 bed House	0.0	@	275,000	-
3 bed House	0.0	@	400,000	-
4 bed House	0.0	@	550,000	-
5 bed House	0.0	@	625,000	-
1 bed Flat	0.0	@	190,000	-
2 bed Flat	0.0	@	242,000	-
3 bed Flat	0.0	@	0	-
	0.0			-
Affordable Rent GDV -				
1 bed House	2.6	@	104,500	267,520
2 bed House	1.9	@	151,250	290,400
3 bed House	1.6	@	220,000	352,000
4 bed House	0.3	@	302,500	96,800
5 bed House	0.0	@	343,750	-
1 bed Flat	0.0	@	104,500	-
2 bed Flat	0.0	@	133,100	-
3 bed Flat	0.0	@	0	-
	6.4			1,006,720
Social Rent GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
First Homes GDV -				
1 bed House	0.0	@	0	-
2 bed House	0.0	@	0	-
3 bed House	0.0	@	0	-
4 bed House	0.0	@	0	-
5 bed House	0.0	@	0	-
1 bed Flat	0.0	@	0	-
2 bed Flat	0.0	@	0	-
3 bed Flat	0.0	@	0	-
	0.0			-
Other Intermediate GDV -				
1 bed House	0.3	@	114,000	36,480
2 bed House	0.6	@	165,000	105,600
3 bed House	0.5	@	240,000	115,200
4 bed House	0.1	@	330,000	26,400
5 bed House	0.1	@	375,000	30,000
1 bed Flat	0.0	@	114,000	-
2 bed Flat	0.0	@	145,200	-
3 bed Flat	0.0	@	0	-
	1.6	8.0		313,680
Sub-total GDV Residential				1,320,400
AH on-site cost analysis:				
			£MV (no AH) less £GDV (inc. AH)	1,032,800
			1,656 £ psm (total GIA sqm)	
			129,100 £ per unit (total units)	
Grant				
	8	AH units @	56,875 per unit	455,002
Total GDV				1,775,402

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:
Site Typology: Location / Value Zone: **Higher** No Units: **8** Greenfield/Brownfield: **Greenfield**
Notes/Comments: **Median BCIS : 100% AH - Rural Exception Site**

DEVELOPMENT COSTS									
Initial Payments -									
Statutory Planning Fees (Residential)	01-Apr-25				(capped at £411,885)	4,704	£		(4,704)
Planning Application Professional Fees, Surveys and reports					(capped at £1,500,000)	23,520	£		(23,520)
CIL (Mrkt only inc. garages)	Max		0 sqm		0.00 £ psm				-
CIL analysis:			0.00% % of GDV		0 £ per unit (total units)				
Site Specific S106	Year 1								-
(strategic site cashflow yrs 1-15)	Year 2								-
	Year 3								-
	Year 4								-
	Year 5								-
	Year 6								-
	Year 7								-
	Year 8								-
	Year 9								-
	Year 10								-
	Year 11								-
	Year 12								-
	Year 13								-
	Year 14								-
	Year 15								-
Site Specific S106 (installment)			8 units @		6,600 per unit				(52,800)
S106 analysis:		165,000 £ per ha	4.00% % of GDV		6,600 £ per unit (total units)				
AH Commuted Sum			624 sqm (total)		0 £ psm				-
Comm. Sum analysis:			0.00% % of GDV						
Construction Costs -									
Site Clearance, Demolition & Remediation			0.32 ha @		0 £ per ha (if brownfield)				-
Site Infrastructure costs	Year 1								-
(strategic site cashflow yrs 1-15)	Year 2								-
	Year 3								-
	Year 4								-
	Year 5								-
	Year 6								-
	Year 7								-
	Year 8								-
	Year 9								-
	Year 10								-
	Year 11								-
	Year 12								-
	Year 13								-
	Year 14								-
	Year 15								-
	Years 1-15		8 units @		6,600 per unit				(52,800)
Infra. Costs analysis:		165,000 £ per ha	4.00% % of GDV		6,600 £ per unit (total units)				
1 bed House			158 sqm @		1,797 psm				(284,645)
2 bed House			200 sqm @		1,797 psm				(358,825)
3 bed House (EXC. garage)			202 sqm @		1,797 psm				(362,563)
4 bed House (EXC. garage)			51 sqm @		1,797 psm				(92,006)
5 bed House (EXC. garage)			13 sqm @		1,797 psm				(23,002)
1 bed Flat			- sqm @		2,029 psm				-
2 bed Flat			- sqm @		2,029 psm				-
3 bed Flat			- sqm @		2,029 psm				-
Garages for 3B House	2.1	-	0 sqm @		500 psm				-
Garages for 4B House	0.4	-	0 sqm @		500 psm				-
Garages for 5B House	0.1	-	0 sqm @		500 psm				-
Total GIA check:			624 £ per garage		£0				
External works			1,121,040 @		10.0%				(112,104)
Ext. Works analysis:					14,013 £ per unit (total units)				
Policy Costs on design -									
Building Safety Levy									
Net Biodiversity costs			8 units @		0 £ per unit				-
M4(3) Category 3 Housing	OMS units	- units @	8 units @		1,011 £ per unit				(8,088)
M4(3) Category 3 Housing	Aff units	8.0 units @		10%	10,000 £ per unit				-
Part L/FHS - Houses		8 units @		30%	10,000 £ per unit				(24,000)
Part L/FHS - Flats		1 units @			5,000 £ per unit				(40,000)
Part L/FHS analysis:					2,260 £ per unit				(2,260)
					3.6% % of BCIS costs				
Water Efficiency		8 units @			9 £ per unit				(72)
Carbon / Energy Reduction		8 units @			0 £ per unit				-
Sub-total									(74,420)
Policy Costs analysis: (design costs only)					9,303 £ per unit (total units)				
					6.6% % of BCIS costs				
Contingency (on construction)			1,360,365 @		3.0%				(40,811)

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

8

Greenfield/Brownfield:

Greenfield

Median BCIS : 100% AH - Rural Exception Site

Professional Fees	1,360,365	@	8.0%		(108,829)
Disposal Costs -					
OMS Marketing and Promotion	-	OMS @	1.50%	0 £ per unit	-
Residential Sales Agent Costs	-	OMS @	1.50%	0 £ per unit	-
Residential Sales Legal Costs	-	OMS @	0.50%	0 £ per unit	-
Affordable Sale Legal Costs				lump sum	(10,000)
Empty Property Costs					-
Disposal Cost analysis:				1,250 £ per unit (exc. EPC)	
Interest (on Development Costs) -	7.00%	APR	0.565%	pcm	(7,717)
Developers Profit -					
Profit on OMS	0		20.00%		-
Margin on AH	1,320,400		6.00%	on AH values	(79,224)
Profit analysis:	1,320,400		6.00%	blended GDV	(79,224)
	1,608,745		4.92%	on costs	(79,224)
TOTAL COSTS					(1,687,969)

RESIDUAL LAND VALUE (RLV)					
Residual Land Value (gross)					87,433
SDLT	87,433	@	HMRC formula		-
Acquisition Agent fees	87,433	@	1.0%		(874)
Acquisition Legal fees	87,433	@	0.5%		(437)
Interest on Land	87,433	@	7.00%		(6,120)
Residual Land Value					80,001
RLV analysis:	10,000 £ per plot	250,003 £ per ha (net)	101,175 £ per acre (net)		
		250,003 £ per ha (gross)	101,175 £ per acre (gross)		
			6.06% % RLV / GDV		

BENCHMARK LAND VALUE (BLV)					
Residential Density	25.0	dph (net)			
Site Area (net)	0.32	ha (net)	0.79	acres (net)	
Net to Gross ratio	100%				
Site Area (gross)	0.32	ha (gross)	0.79	acres (gross)	
Density analysis:	1,950	sqm/ha (net)	8,492	sqft/ac (net)	
	25	dph (gross)			
Benchmark Land Value (net)	10,000 £ per plot	250,000 £ per ha (net)	101,174	£ per acre (net)	80,000
BLV analysis:		250,000 £ per ha (gross)	101,174	£ per acre (gross)	

BALANCE					
Surplus/(Deficit)	3	£ per ha (net)	1	£ per acre (net)	1

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units: **8**

Greenfield/Brownfield:

Greenfield

Median BCIS : 100% AH - Rural Exception Site

SENSITIVITY ANALYSIS

The following sensitivity tables show the balance of the appraisal (RLV-BLV £ per acre) for changes in appraisal input assumptions above.

Where the surplus is positive (green) the policy is viable. Where the surplus is negative (red) the policy is not viable.

TABLE 1

TABLE 1		Affordable Housing - % on site 100%							
Balance (RLV - BLV £ per acre (n))		1	70%	75%	80%	85%	90%	95%	100%
Site Specific S106 Contributions £6,600	£0		189,579	168,435	147,153	125,871	104,589	83,307	61,794
	£1,000		180,559	159,277	137,995	116,714	95,432	74,150	52,431
	£2,000		171,402	150,120	128,838	107,556	86,274	64,826	43,069
	£3,000		162,244	140,962	119,680	98,398	77,116	55,464	33,706
	£4,000		153,086	131,804	110,522	89,240	67,859	46,101	24,344
	£5,000		143,928	122,646	101,364	80,082	58,496	36,739	14,981
	£6,000		134,770	113,488	92,206	70,891	49,134	27,376	5,619
	£7,000		125,612	104,331	83,049	61,529	39,771	18,014	(3,744)
	£8,000		116,455	95,173	73,891	52,166	30,409	8,651	(13,106)
	£9,000		107,297	86,015	64,562	42,804	21,046	(711)	(22,469)
	£10,000		98,139	76,857	55,199	33,442	11,684	(10,074)	(31,831)
	£11,000		88,981	67,594	45,837	24,079	2,321	(19,436)	(41,194)
	£12,000		79,823	58,232	36,474	14,717	(7,041)	(28,799)	(50,556)
	£13,000		70,627	48,869	27,112	5,354	(16,403)	(38,161)	(59,919)
	£14,000		61,264	39,507	17,749	(4,008)	(25,766)	(47,523)	(69,281)
	£15,000		51,902	30,144	8,387	(13,371)	(35,128)	(56,886)	(78,643)
	£16,000		42,539	20,782	(976)	(22,733)	(44,491)	(66,248)	(88,006)
	£17,000		33,177	11,419	(10,338)	(32,096)	(53,853)	(75,611)	(97,368)
	£18,000		23,814	2,057	(19,701)	(41,458)	(63,216)	(84,973)	(107,247)
	£19,000		14,452	(7,306)	(29,063)	(50,821)	(72,578)	(94,336)	(117,479)
	£20,000		5,089	(16,668)	(38,426)	(60,183)	(81,941)	(103,933)	(127,712)
	£21,000		(4,273)	(26,031)	(47,788)	(69,546)	(91,303)	(114,165)	(137,944)
	£22,000		(13,635)	(35,393)	(57,151)	(78,908)	(100,666)	(124,397)	(148,176)
	£23,000		(22,998)	(44,755)	(66,513)	(88,271)	(110,851)	(134,629)	(158,408)
	£24,000		(32,360)	(54,118)	(75,875)	(97,633)	(121,083)	(144,862)	(168,640)
	£25,000		(41,723)	(63,480)	(85,238)	(107,536)	(131,315)	(155,094)	(178,873)

TABLE 2

TABLE 2		Affordable Housing - % on site 100%							
Balance (RLV - BLV £ per acre (n))		1	70%	75%	80%	85%	90%	95%	100%
Profit 20%	15%		182,689	152,505	122,321	92,136	61,719	30,860	1
	16%		172,006	143,603	115,199	86,795	58,078	29,040	1
	17%		161,324	134,700	108,077	81,454	54,438	27,220	1
	18%		150,641	125,798	100,955	76,112	50,797	25,399	1
	19%		139,958	116,896	93,833	70,735	47,157	23,579	1
	20%		129,276	107,994	86,712	65,274	43,516	21,759	1

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

8

Greenfield/Brownfield:

Greenfield

Median BCIS : 100% AH - Rural Exception Site

TABLE 3

Balance (RLV - BLV £ per acre (n))		1	70%	75%	80%	85%	90%	95%	100%
BLV (£ per acre)	101,174	50,000	180,449	159,167	137,885	116,448	94,690	72,932	51,175
		60,000	170,449	149,167	127,885	106,448	84,690	62,932	41,175
		70,000	160,449	139,167	117,885	96,448	74,690	52,932	31,175
		80,000	150,449	129,167	107,885	86,448	64,690	42,932	21,175
		90,000	140,449	119,167	97,885	76,448	54,690	32,932	11,175
		100,000	130,449	109,167	87,885	66,448	44,690	22,932	1,175
		110,000	120,449	99,167	77,885	56,448	34,690	12,932	(8,825)
		120,000	110,449	89,167	67,885	46,448	24,690	2,932	(18,825)
		130,000	100,449	79,167	57,885	36,448	14,690	(7,068)	(28,825)
		140,000	90,449	69,167	47,885	26,448	4,690	(17,068)	(38,825)
		150,000	80,449	59,167	37,885	16,448	(5,310)	(27,068)	(48,825)
		160,000	70,449	49,167	27,885	6,448	(15,310)	(37,068)	(58,825)
		170,000	60,449	39,167	17,885	(3,552)	(25,310)	(47,068)	(68,825)
		180,000	50,449	29,167	7,885	(13,552)	(35,310)	(57,068)	(78,825)
		190,000	40,449	19,167	(2,115)	(23,552)	(45,310)	(67,068)	(88,825)
		200,000	30,449	9,167	(12,115)	(33,552)	(55,310)	(77,068)	(98,825)

TABLE 4

Balance (RLV - BLV £ per acre (n))		1	70%	75%	80%	85%	90%	95%	100%
Density (dph)	25.00	15	37,096	24,327	11,558	(1,305)	(14,360)	(27,414)	(40,469)
		18	60,141	45,243	30,346	15,340	109	(15,121)	(30,351)
		20	83,186	66,160	49,135	31,984	14,578	(2,828)	(20,234)
		23	106,231	87,077	67,923	48,629	29,047	9,466	(10,116)
		25	129,276	107,994	86,712	65,274	43,516	21,759	1
		28	152,321	128,910	105,500	81,919	57,985	34,052	10,119
		30	175,365	149,827	124,289	98,563	72,454	46,345	20,236
		33	198,410	170,744	143,077	115,208	86,923	58,639	30,354
		35	221,455	191,661	161,866	131,853	101,392	70,932	40,471
		38	244,500	212,577	180,654	148,498	115,861	83,225	50,589
		40	267,545	233,494	199,443	165,142	130,330	95,518	60,706
		43	290,590	254,411	218,231	181,787	144,799	107,812	70,824
		45	313,635	275,327	237,020	198,432	159,268	120,105	80,941
		48	336,680	296,244	255,808	215,077	173,737	132,398	91,059
		50	359,725	317,161	274,597	231,721	188,206	144,691	101,176
		53	382,770	338,078	293,385	248,366	202,675	156,984	111,294

251008_Isle of Wight Residential Appraisal_S_T_v1

Scheme Typology:

Site Typology:

Notes/Comments:

Location / Value Zone:

Higher

No Units:

8

Greenfield/Brownfield:

Greenfield

Median BCIS : 100% AH - Rural Exception Site

TABLE 5		Affordable Housing - % on site 100%							
Balance (RLV - BLV £ per acre (n))		1	70%	75%	80%	85%	90%	95%	100%
		80%	85%	90%	95%	100%	105%	110%	115%
Build Cost	(105% = 5% increase)	1	457,321	433,109	408,838	384,483	360,128	335,774	311,419
		80%	376,065	352,707	329,348	305,989	282,631	259,124	235,551
		85%	294,584	272,221	249,858	227,332	204,761	182,071	158,717
		90%	213,103	191,535	169,423	147,105	124,787	102,469	80,150
		95%	129,276	107,994	86,712	65,274	43,516	21,759	1
		100%	43,868	23,170	2,472	(18,226)	(38,925)	(59,623)	(80,321)
		105%	(42,811)	(62,449)	(82,088)	(101,778)	(123,241)	(144,704)	(166,168)
		110%	(132,120)	(152,425)	(172,730)	(193,035)	(213,341)	(233,646)	(253,951)
Market Values	(105% = 5% increase)	1	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		80%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		85%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		90%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		95%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		100%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		105%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
		110%	386,925	311,419	235,551	158,717	80,150	1	(80,321)
Carbon/Energy Reduction/FHS	(105% = 5% increase)	1	£0	£0	£0	£0	£0	£0	£0
		80%	£0	£0	£0	£0	£0	£0	£0
		85%	£0	£0	£0	£0	£0	£0	£0
		90%	£0	£0	£0	£0	£0	£0	£0
		95%	£0	£0	£0	£0	£0	£0	£0
		100%	£0	£0	£0	£0	£0	£0	£0
		105%	£0	£0	£0	£0	£0	£0	£0
		110%	£0	£0	£0	£0	£0	£0	£0
£ per dwelling	(105% = 5% increase)	1	£0	£0	£0	£0	£0	£0	£0
		80%	£0	£0	£0	£0	£0	£0	£0
		85%	£0	£0	£0	£0	£0	£0	£0
		90%	£0	£0	£0	£0	£0	£0	£0
		95%	£0	£0	£0	£0	£0	£0	£0
		100%	£0	£0	£0	£0	£0	£0	£0
		105%	£0	£0	£0	£0	£0	£0	£0
		110%	£0	£0	£0	£0	£0	£0	£0

NOTES

Cells highlighted in yellow are input cells

Cells highlighted in green are sensitivity input cells

Figures in brackets, thus (00,000.00), are negative values / costs

251008_Isle of Wight Residential Appraisal_S_T_v1 - Summary Table

Appraisal Ref:	S	T
No Units:	35	8
Location / Value Zone:	Island Wide	Higher
Greenfield/Brownfield:	Brownfield	Greenfield
Notes/Comments:	Median BCIS : 35% AH - Flatted Scheme	Median BCIS : 100% AH - Rural Exception Site
Total GDV (£)	6,518,428	1,775,402
Policy Assumptions	-	-
AH Target % (& mix):	35%	100%
Site Specific S106 (£ per unit)	6,600	6,600
Site Infrastructure (£ per unit)	6,600	6,600
Profit KPI's	-	-
Developers Profit (% on OMS)	20.0%	20.0%
Developers Profit (% on AH)	6.0%	6.0%
Developers Profit (% blended)	16.94%	6.00%
Developers Profit (% on costs)	7.43%	4.92%
Developers Profit Total (£)	1,103,909	79,224
Land Value KPI's	-	-
RLV (£/acre (net))	(8,184,846)	101,175
RLV (£/ha (net))	(20,224,754)	250,003
RLV (% of GDV)	-144.79%	6.06%
RLV Total (£)	(9,438,219)	80,001
BLV (£/acre (net))	150,000	101,174
BLV (£/ha (net))	370,650	250,000
BLV Total (£)	172,970	80,000
Surplus/Deficit (£/acre) [RLV-BLV]	(8,334,846)	1
Surplus/Deficit (£/ha)	(20,595,404)	3
Surplus/Deficit Total (£)	(9,611,189)	1
Viability	Not Viable	Viable - with grant

London | Leeds | Liverpool
Newcastle | Birmingham

Property | Infrastructure | Planning
Development | Regeneration

www.aspinallverdi.co.uk

