BournemouthDevelopmentCompany

1

Site 1 | Durley Road

Residential Scheme

Site Development Plan – Draft Stage 1
Status: Adoption by BDC

1 EXECUTIVE SUMMARY 2
2 PROPERTY DETAILS 4
2.1. LOCATION SUMMARY 4
2.2. DESCRIPTION OF PROPERTY 4
2.3. THIRD PARTY LAND ISSUES 4
2.4. TITLE DUE DILIGENCE 5
2.5. LAND INTEREST TO BE TRANSFERRED 5
2.6. LAND ASSEMBLY 5
2.7. SURVEYS 5
3 SCHEME DETAILS 6
3.1. SCHEME OVERVIEW 6
3.2. CONTRIBUTION TO TOWN CENTRE MASTER VISION OBJECTIVES 6
3.3. SPECIFICATION OVERVIEW 7
3.4. PHASING OF DEVELOPMENT 7
3.5. TOWN PLANNING AND COMPLIANCE WITH COUNCIL POLICIES 7
3.6. PLANNING PERFORMANCE AGREEMENT (PPA) 7
3.7. PRE-APPLICATION CONSULTATION 7
3.8. PARKING STRATEGY 8
3.9. SECTION 106 9
3.10. COMMUNICATIONS AND STAKEHOLDER COMMUNICATION 9
3.11. ALTERNATIVE OPTIONS CONSIDERED 9
3.12. WIDER ECONOMIC BENEFIT 9
4 DELIVERY STRATEGY 11
4.1. STRATEGY FOR DELIVERING THE SCHEME 11
4.2. DESIGN, PROFESSIONAL AND DELIVERY TEAM (SUPPLY CHAIN) 11
5 DEVELOPMENT PLAN 12
5.1. LOCAL MARKET COMMENTARY 12
5.2. DEVELOPMENT APPRAISAL 12
5.3. VIABILITY TEST 13
5.4. EXISTING USE VALUE 13
5.5. PROGRAMME 13
5.6. EXIT STRATEGY 14
5.7. DEVELOPMENT RISK 14
5.8. PROFIT 14
6 FINANCIAL APPRAISALS 15
6.1. BUDGET 15
6.2. FINANCING STRUCTURE 15
6.3. SENSITIVITY ANALYSIS 15
6.4. TAXATION ASSUMPTIONS 16

Appendix A - LLP Development Appraisal and Advanced Sums
Appendix B – DBK Cost Plan

1 Executive Summary

Site

- The Durley Road site is approximately 0.32 hectares and is level throughout. It has been used as a surface public car park providing 119 spaces since 1968.

Use

- The proposed use of the site is for a development of residential apartments, for sale in the open market. This is in line with the uses proposed in the Area Action Plan.
- There is an opportunity to incorporate some public highway into the scheme which will improve public realm fronting Durley Road South.

Planning

A previous formal pre-app meeting with Council Officers raised the following issues:

- The site sits in a Conservation Area. Development proposals need to be sensitive.
- The use of the site for residential is acceptable in principle.
- BDC will enter into a planning performance agreement (PPA) to provide greater certainty and transparency in the process for determining this planning application.

Parking strategy

Alan Baxter Associates, BDC's strategic Transport Consultant, commissioned surveys of Durley Road car park that were completed in February 2014, and in August 2014.

The closure of Durley Road Car Park will likely see a displacement of parking demand. This can however be accommodated by surplus capacity on-street, and at West Hill and Winter Gardens surface car parks, where surveys were also undertaken to assess capacity and demand. The preferred approach would be to

- transfer school permit and pay and display parking to West Hill Car Park with some general parking also transferred to this car park.
- The excess demand for general permits would be accommodated by Winter Gardens.
- Some demand would also be transferred to on-street parking in the surrounding area which has been shown to have ample capacity.

Alternative use analysis

- We have considered development of a care use on the site but it was considered by The Council that this did not contribute sufficiently to the overall TCV objectives; and that the type of facility proposed did not support the Council's Adult Social Care strategy.

Scheme viability

Based upon current assumptions, the scheme appraisal is summarised:

No. of storeys	14	5
No. units	75	65
	£	£
GDV	21,620,821	16,562,369
TDC (excl land)	17,535,520	13,296,034
Development surplus (land value / profit)	4,085,301	3,266,335

DRAFT

Exit strategy

- The apartments and ground rent investment will be sold on the open market.

Programme

– BDC Board approval Stage 1 SDP	–	September / October 2014
– Cabinet adoption of Stage 1 SDP	–	October 2014
– Pre-application consultation	–	November 2014 / February 2015
– Public consultation	–	July 2015
– Planning Application	–	August 2015
– Grant of Planning Permission	–	November 2015
– Option execute and contract close	–	late 2015 / early 2016
– Start on site	–	early 2016
– Practical completion and handover	–	Q4 2017

2 Property Details

2.1. Location Summary

The site is located in the west of Bournemouth's Town Centre in the heart of the Town Centre Tourism Area, adjacent to the Wessex Hotel, fronting Durley Road South and Hahnemann Road.

Bournemouth's mainline railway and bus station are just over 2.5km to the north-west of the site.

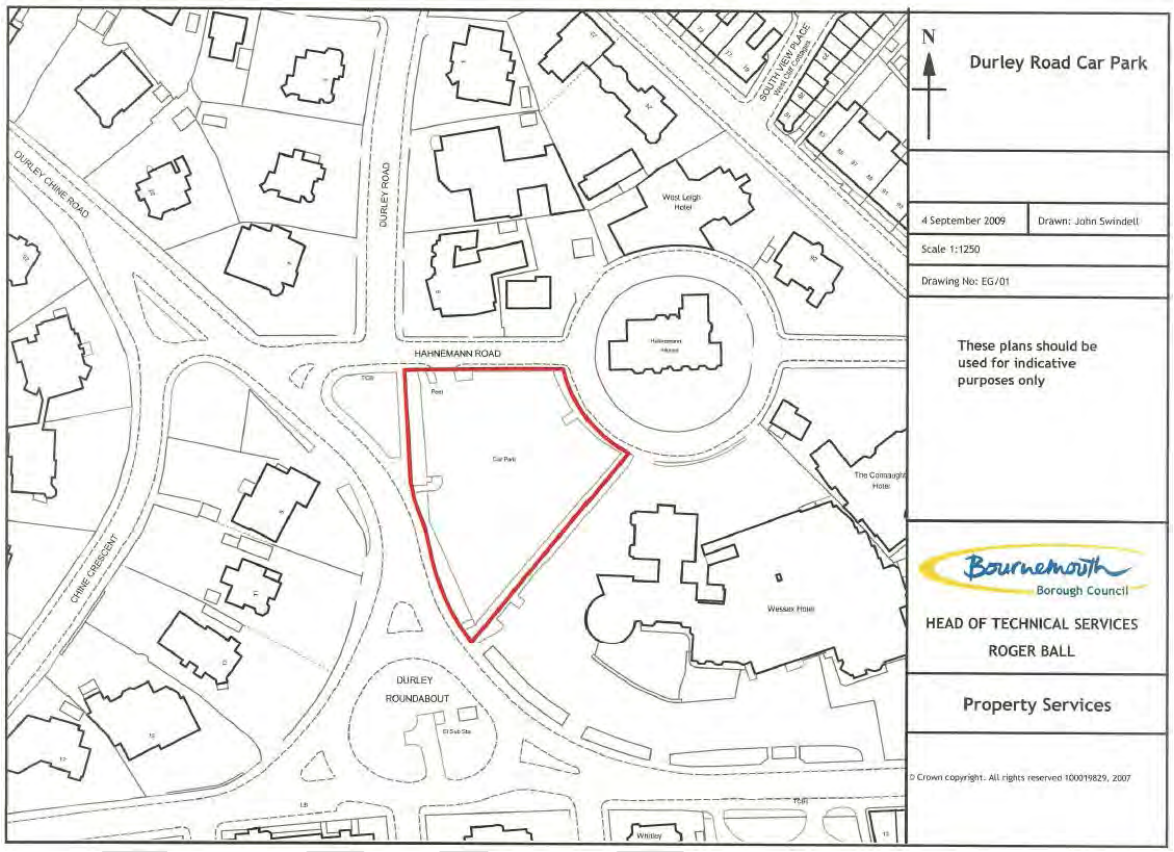


Figure 1: Durley Road Site Plan

The B3066 Durley Road South is one of the main routes into and out of Bournemouth Town Centre, the site is well connected by public transport and pedestrian routes into the town centre and the beach, both of which are about 1km away from the site.

Land use in the immediate vicinity can be summarised as follows:

- Hotels surround the site to the south-east, north and west.
- To the north-east of the site is a NHS health care facility.

2.2. Description of Property

The site is approximately 0.32 hectares and is level throughout. It has been used as a surface public car park providing 119 spaces since 1968.

2.3. Third party land issues

BDC understands the entirety of this site is in Council ownership. We have not made any allowances for acquisition of any third party rights or easements.

2.4. Title Due Diligence

BDC are not aware of any easements, way-leaves or restrictive covenants affecting the site or constraints to development at this time. A full title search will be carried out in due course.

2.5. Land Interest to be transferred

Bournemouth Borough Council will grant a lease to BDC for a term of 150 years, in the form prescribed by the Option Agreement. The land will transfer to an SPV, either in the name of the funder / operator or the SPV. The land will be drawn down as a single option following receipt of planning.

2.6. Land Assembly

There is an opportunity to incorporate some public highway (outlined in blue in Figure 2) into the scheme which will improve public realm fronting Durley Road South. Development of this site is not however subject to the acquisition of this additional land.

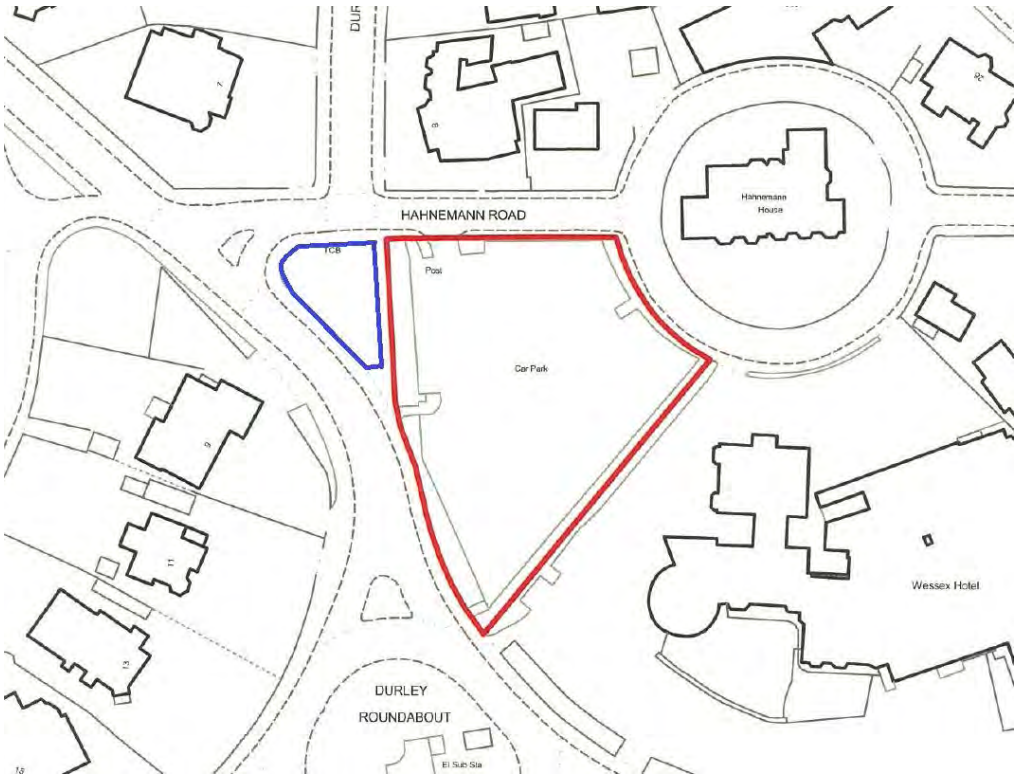


Figure 2: Durley Road Site Plan with Optional Land Assembly

2.7. Surveys

Topographical and tree surveys have been undertaken and the results fed back to the design team.

3 Scheme Details

3.1. Scheme Overview

The proposal is to develop a residential scheme comprising approximately [50-70] 1, 2 & 3 bed apartments for sale in the open market..

The development will predominately target first time buyers and other owner occupiers, including professionals and down-sizers. Typically for a new build scheme in Bournemouth, there will also be interest from second home owners and investors.

3.2. Contribution to Town Centre Master Vision Objectives

The proposed scheme will directly contribute to four of the Town Centre Master Vision Objectives:

- 'Ensure new development is sustainable, well designed, and responds to the positive characteristics of the Town Centre'.
- 'Provide a high quality, safe and attractive network of streets and public spaces that incorporates public art, green infrastructure and opportunities for play and events.'
- 'Provide an overall mix of uses in order to encourage people to come to the Town Centre more often and stay longer.'
- 'Ensure the Town Centre becomes a more attractive place to live for a wider range of people, by offering a mix of quality new homes and community facilities that support an increased population.'

The objectives of the Bournemouth Development Company are closely aligned to those of the Town Centre Vision. The development of this site will meet a number of the objectives defined in the LLP Members Agreement in respect of:

Regeneration:

- By maximising the full economic potential of the site
- Improve Bournemouth's competitiveness as a place to live, work
- Increasing the number of town centre residents
- Drive the demand for new jobs in the town centre
- Kick-starting wider regeneration in the area
- Improved landscaping

Design and Standards:

- By delivering a development that is innovative in design and quality
- Delivering sustainable buildings integrating social, economic and environmental goals
- Retain, conserve and enhance the architectural style of the town

Delivery:

- To bring forward development on sites in phases within a timescale which responds positively to and quickly to market demand

Commercial:

- To deliver an appropriate level of financial return to the Members, both as capital and revenue
- To capture profit through direct development rather than pure land transfer

DRAFT

3.3. Specification Overview

The car park is located prominently on a major route from the west (Poole, Canford Cliffs, Westborne) into the town centre. The external appearance needs therefore to be carefully considered to provide an elegant building which will become a landmark on the western approach to the town.

Internally, the building will need to be well specified to meet the aspirations of the target market, particularly those down-sizing from larger properties. The starting point will be the specification delivered at The Citrus Building, with upgrades where it is considered that these improve marketability, sales revenue and rate of sale. Detail of the specification will be progressed with input from the design and professional team.

3.4. Phasing of Development

The development will be delivered as a single phase, but with a flexible construction methodology to enable, where possible, apartment sales to complete and residents to move in during the latter stages of construction. This will help project cashflow and reduce finance costs.

3.5. Town Planning and Compliance with Council Policies

Durley Road is one of a number of sites in the town centre identified for development (Policy A10) in the adopted Area Action Plan (March 2013).

"Development will be permitted for residential or tourist accommodation. Other uses will be permitted where they fulfil an identified need and do not conflict with the objectives of the Spatial Strategy or other Local Plan policies".

The site sits outside of the Richmond Hill and Lansdowne tall building zones (Policy D4 AAP). There is therefore a presumption against proposals for tall buildings outside of these locations unless fully justified.

3.6. Planning performance agreement (PPA)

BDC will enter into a planning performance agreement (PPA) to provide greater certainty and transparency in the process for determining this planning application. This will help to ensure that a clear and efficient process is in place for dealing with an application; encourage joint working between the applicant and the planning authority; and can also help to bring together other parties such as statutory consultees.

3.7. Pre-application Consultation

Whilst considering an alternative use of the site, informal and formal pre-app meetings were held with BDC's proposed planning consultant, Tanner and Tilley, and Council Urban Design, Highway and Planning Officers. During meetings there was reference to the un-adopted, draft Planning Brief. The officers made the following comments:

- The site sits in a Conservation Area. Development proposals need to be sensitive.
- The use of the site for residential, including care was acceptable in principle.
- Some concern that the footprint and height of the building proposed was greater than envisaged in the draft planning brief and out of keeping with the historic scale of the villas that had been on the site originally.
- It was accepted that no trees were directly affected by the proposed development, noting that the siting of the building had been adjusted to achieve this. However, concern that the building was too close to the trees causing potential shaping/light issues, with limited areas for new landscaping.
- There would be a requirement for more comprehensive parking surveys taking into account daytime, evening (post 7pm), weekend and peak summer periods, preferably in advance of a planning application.

3.8. Parking strategy

Alan Baxter Associates, BDC's strategic Transport Consultant, commissioned surveys of Durley Road car park that were completed in February 2014, and in August 2014.

During the weekday in February:

- Durley Road Car Park is predominantly used for permit parking associated with employees of Hahnemann House and St Michael's School and by parents who have children at the school. The majority of users hold a valid school or general permit provided by the council.
- Consequently peak usage of 75 spaces (60%) occurs during the weekday PM peak when there are large numbers of school permit holders using the car park for school pick-up (3.15 pm – 3.45 pm).
- Outside of these peak periods, the surveys have shown that Durley Road is currently under-utilised with a weekday average occupancy of 32 spaces (27%), during which time 67% of the car park users are upto 1 hour short-stay, with the most prevalent use for the car park being for shopping (25%), followed by taxi base (19%) and work (17%).

During the weekend in February:

- Occupancy peaked at 21%, but overall averaged at 11%.
- Again usage was primarily short stay, with 73% of users staying for less than an hour, on a pay and display basis.
- The most prevalent use for the car park being for shopping (42%), followed by taxi base (19%) and work (17%).

During the weekday in August:

- The survey was undertaken during the school holidays, therefore the survey provided very different findings.
- Peak demand reached 52 spaces (44%), with an average daily occupancy of 35 cars (30%).
- For the main part of the day, between 9am and 4pm, the car park was primarily used by permit holders .
- The majority of users (44%) stay for no longer than 1 hour. Overall, 73% of users use the car park for less than 3 hours.

During the weekend in August:

- The survey was undertaken on a Saturday and Sunday.
- Peak demand reached 44 spaces (37%) on a Saturday, and 34 spaces (29%) on a Sunday, with an average daily occupancy of 28% on a Saturday and 21% on a Sunday.
- The car park was primarily used by purchasers of pay and display tickets, which would be consistent with day trippers / holiday makers..
- 63% of users on a Saturday and 67% on a Sunday stayed for no longer than 1 hour.

The closure of Durley Road Car Park will likely see a displacement of parking demand. This can however be accommodated by surplus capacity on-street, and at West Hill and Winter Gardens surface car parks, where surveys were also undertaken to assess capacity and demand. The preferred approach would be to

- transfer school permit and pay and display parking to West Hill Car Park with some general parking also transferred to this car park.
- The excess demand for general permits would be accommodated by Winter Gardens.
- Some demand would also be transferred to on-street parking in the surrounding area which has been shown to have ample capacity.

Baxter's have separately advised:

Part of the s106 may also be used to fund some additional short term on street spaces at Poole Hill as part of a public realm improvement for 'Top Triangle'. I have had another look at this area and it is not working particularly hard in terms of on street parking. An additional 20 spaces could easily be accommodated and all that would be required to provide these would be white lining, signing and changes to traffic orders.

We have however made provision within the development appraisal s106 / CIL £500,000 contribution an allowance to satisfy the requirements of Policy T7, noting also policy 8.22 (Development Affecting Public Car Parking Spaces) of the Bournemouth District Wide Local Plan (BDWLP):

DRAFT

Where redevelopment would affect public car parking spaces (whether publicly or privately owned), any spaces lost should be replaced either:

i. on-site;
ii. in the vicinity of the site; or
iii. by the provision of alternative transport measures.

3.9. Section 106

The negotiation of s106 / CIL, including the provision of affordable housing will be discussed with planners. It is proposed that the affordable housing contribution is dealt with by way of a commuted sum, with provision within the s106 / CIL. We note however that the Bournemouth CIL Preliminary Draft Charging Schedule is £0 psm for residential development inside the Town Centre AAP.

3.10. Communications and Stakeholder Communication

A full public stakeholder consultation will take place prior to the submission of the Planning Application which will incorporate feedback received. In addition to consulting with the Urban Designers, BDC will discuss the scheme with the following:

- Dorset Police
- Ward Councillors
- BCTC
- Council Officers

3.11. Alternative Options Considered

In developing a scheme for this site the team have considered alternative uses as well as different scenarios, which have been summarised as follows:

Leave as a Surface Car Park

- Does not meet the wider Town Centre Vision objectives

Increase the density of development

- We have considered both high rise and low rise development of the site.
- The proposals seek to balance the demands of density, quality of design, viability and in due course planning risk.
- We consider the initial proposals are appropriate for a site on the fringe of the town centre.

Develop the site for other uses

- We have considered development of a care use on the site but it was considered by The Council that this did not contribute sufficiently to the overall TCV objectives; and that the type of facility proposed did not support the Council's Adult Social Care strategy.

3.12. Wider Economic Benefit

Development at Durley Road will bring wide economic benefit to the area surrounding the site, encouraging further investment in:

- Quality of design, setting a benchmark for new development in the area.

- The provision of well specified apartments to compete with existing stock, which will encourage other developments to invest in, and improve the quality of accommodation on offer.
- Providing new homes, attracting more residents to and increasing consumer use and expenditure in the town centre

Tangible benefits

Development of sites will generate capital receipts and revenue to BDC and the Council:

	BDC	Council
Land capital receipt		✓
Profit	✓	✓
New Homes Bonus		✓
S106 / CIL contributions		✓
Domestic and non-domestic rates		✓

Intangible benefits

	Town Centre Vision	Council
Third party investment	✓	✓
Public realm improvements	✓	✓
Confidence	✓	✓
Increasing residents (and visitors)	✓	✓
Increased trade	✓	✓
Job creation – construction phase	✓	✓
Quality of life: health, happiness	✓	✓
Pride in the Town	✓	✓

DRAFT

4 Delivery Strategy

4.1. Strategy for Delivering the Scheme

BDC, at their own risk, intend to work up design prior to submission of a planning application.

Where appointments have already been made by BDC, these will be novated across to the contractor. Morgan Sindall Group will be engaged to appoint and manage a design and professional team. A Pre-Contract Service Agreement is currently being negotiated to formalise this appointment to cover preparation and submission of a planning application and detailed design to start on site.

4.2. Design, Professional and Delivery Team (Supply Chain)

The main contractor, sub-contractors, suppliers and consultants have been procured in accordance with the Supply Chain Procurement Policy Option A, as set out in the Members Agreement. A PCSA will be drafted and the main contractor appointed soon after Stage 1 SDP adoption.

MSIL, acting as Development Manager, will manage the procurement, appointment and performance of the following supply chain for:

- Main contractor – Morgan Sindall Group
- Construction sub-contractors – competitively tendered from agreed shortlists
- Architect – HGP (tbc)
- Planning – Tanner and Tilley (tbc)
- Structural/ Services/ Civil Engineer– tbc
- Transportation – Alan Baxter Associates
- Cost consultant/ Employer's Agent – DBK (tbc)
- CDM co-ordinator – tbc
- Building control – Borough of Bournemouth & Poole (LABC framework)
- Topographical surveys – DG Yeatman
- Arboriculture – tbc
- Geotechnical Investigations – tbc
- Acoustic – tbc
- Legal (PCSA) – Eversheds or Bond Dickinson
- Legal (Transaction) - TBC

5 Development Plan

5.1. Local Market Commentary

Stubbings Property Marketing have carried out initial market analysis and reported their recommendations on sales prices achievable and sales pace. Their report concluded:

> *We believe that with correct marketing Durley Road could be very successful; it has the potential for a good mix of apartments and prices for the market place which despite having a lot of second hand availability has very little new build competition especially in the price bracket. Affordability however is key, so working with the right partners to achieve mortgage finance and having key sales enablers such as the Help to Buy scheme will be vital to success.*

5.2. Development Appraisal

Scheme assumptions

- We have carried out viability testing of residential development and indicative returns on a number of density and massing options:
  - ground and 4 upper floors (65 units)
  - ground and 13 upper floors (75 units)
- HGP has made a number of assumptions as to how parking could be accommodated on site. Sales prices assume that all units have at least 1 parking space with a mix of surface and basement car parking.
- Project equity, including land value, is returned to the Members once debt has been re-paid.
- Profit will be distributed following sale of last unit.

Gross development Value

- Indicative apartment sale values and sales pace have been provided by Stubbings Property Marketing (who are engaged on The Citrus Building).
- We have assumed that each apartment will make an annual ground rent payment. This income has been capitalised and the investment sold, generating an additional capital receipt.
- We have assumed that the development could be handed over in sections to enable sales of some apartments in advance of final practical completion.

Total Development Costs

- DBK has provided indicative build costs based upon a limited amount of information on construction methodology and specification.
- We have not made any allowances for known site specific costs but full Site Investigation surveys will be required to identify any abnormal requirements.
- Professional fees include an allowance for architects, structural engineers, quantity surveyor, mechanical and electrical surveyor, and project manager fees. The fees have been categorised into advanced sums expenditure prior to site drawdown and other fees.
- A sales and marketing budget based upon 4-5% of GDV.
- Interest has been assumed at 6.5%; this is a blended average of all finance costs including the senior debt rate, PSP loan note rate, and additional PSP or mezzanine finance.
- We have assumed profit on TDC at 16% to reflect the level of open market risk associated with speculative residential development.
- We have included the DMA Development Fee of 5% on all advanced sum costs, except finance and land, as provided in the Development Management Agreement (DMA).
- We have made a s106 / CIL provision of £500k.

DRAFT

Indicative returns – incl. profit and land value:

- We have tested viability of residential development on a number of scenarios, summarised below.
- The increased return of developing the high rise option needs to be balanced against the higher project risk associated with planning

No. of storeys	14	5
No. units	75	65
	£	£
GDV **TDC(excl. land)**	21,620,821 17,535,520	16,562,369 13,296,034
Development surplus (land value / profit)	4,085,301	3,266,335
New homes Bonus	Yes	Yes
End of sales **Risk – Planning**	July 2019 **High**	Feb 2019 **Med**
Risk - Sales	Open market	Open market

5.3. Viability Test

The viability test for the site will be undertaken for the purposes of the contract post satisfaction of the Funding Condition and prior to the Option Conditions Longstop Date.

In addition a value for money report will be prepared by our QS and a viability report will be provided to the District Surveyor if required through planning.

5.4. Existing Use Value

The council have provided revenues and costs for Durley Road which has been used to calculate an 'existing use value'. Based upon Council provided net surplus, Durley Road has an average income of £46,238 per annum, calculated over the past three. Capitalised at 7%, which is consistent with the assumptions adopted for Leyton Mount and Madeira Road) this provides a net capital value after purchaser costs of £624,336.

We have assumed that the residual value arising from the site development appraisal is the Market Value for the use proposed and agreed through the Site Development Plan. The 'existing use values' have not been factored into our appraisals.

5.5. Programme

The programme is dependent upon the time taken for planning and approval decisions, with a greater risk of delay associated with a high rise option. Target dates for Site 1 are:

- BDC Board approval Stage 1 SDP – September / October 2014
- Cabinet adoption of Stage 1 SDP – October 2014
- Pre-application consultation – November 2014 / February 2015
- Public consultation – July 2015
- Planning Application – August 2015
- Grant of Planning Permission – November 2015

- Option execute and contract close – late 2015 / early 2016
- Start on site – early 2016
- Practical completion and handover – Q4 2017

5.6. Exit Strategy

As they have at The Citrus Building (Leyton Mount), BDC will take open market sales risk. Appointments will be made to manage the sales and marketing, with a strong emphasis on digital media which has been very successful in attracting purchasers to Citrus. There is provision for an appropriate sales and marketing budget in the appraisal.

5.7. Development Risk

Risk is continually reviewed and will continue to be evaluated at all stages. Key risks are summarised as follows:

- Planning – obtaining consent for a scheme which can be implemented within the constraints of the adopted SDP and budget.
- Rights of light; daylight / sunlight and overlooking of adjacent buildings; although this can be mitigated through the Councils use of its powers of appropriation.
- Site Investigation – abnormal site constraints arising from ground instability and cost of remedial substructures; trees
- Construction – inflation, delay and other abnormal costs
- Open market sales risk, in particular sales values and sales pace.
- Third party activity which may bring forward competing residential development schemes.

5.8. Profit

A target profit of 16% on total development costs has been set within the development appraisal. This is considered to reflect the current market conditions.

DRAFT

6 Financial Appraisals

The financial assumptions contained within the Site Development Plan have been structured to maximise the returns to BDC arising from the development sites and to meet the Council's objectives for the regeneration of Bournemouth.

The development appraisal and cashflow adopts current costs and sales values.

6.1. Budget

The indicative financial projection for the scheme is included with Appendix A. The Development Appraisal includes indicative and estimated numbers which will be updated once the scheme has been designed and progressed in detail.

An advanced sum budget of £620,000 (low rise) or £740,000 (high rise) will be made available to work up detailed designs , for a planning application submission through to option execute date. The indicative Advances Sums Budget is detailed below:

Description	Stage 1	Stage 2	Stage 3
	"Stage 1" Project Appraisal £	"Stage 2" to Planning Submission & Appraisal £	"Stage 3" Contractor Procurement £
Low rise			
Total costs	95,408	326,296	198,320
Total accumulative costs	95,408	421,708	**620,024**
High rise			
Total costs	110,820	391,541	236,141
Total accumulative costs	110,820	502,361	738,502

An indicative breakdown of costs is included within Appendix A. Please note hat the above does not include any deferred costs accountable within the Development Appraisal).

The peak cash flow requirement is forecasted to be £9,968,828 (low rise) and £14,344,625 (high rise).

6.2. Financing Structure

The initial working capital requirement on this site, relating to advanced sums required to bring the site forward for development will be funded by MSIL in return for Advanced Loan Notes. At Option Drawdown the land will be transferred to a SPV subsidiary of BDC, and any miss-match will be addressed with a cash match, by either party, to achieve pari passu. Further funding required will be structured as the cashflows are developed.

Construction finance will be secured from the market.

6.3. Sensitivity Analysis

Key issues to be tested at the next stage will include:

- Quantum of apartments
- Construction costs
- Planners feedback that effects build-ability
- BCIS construction inflation
- Cost of finance
- Sales revenue and pace

6.4. Taxation Assumptions

At the next stage there will be a need to obtain specialist tax advise with regards to:

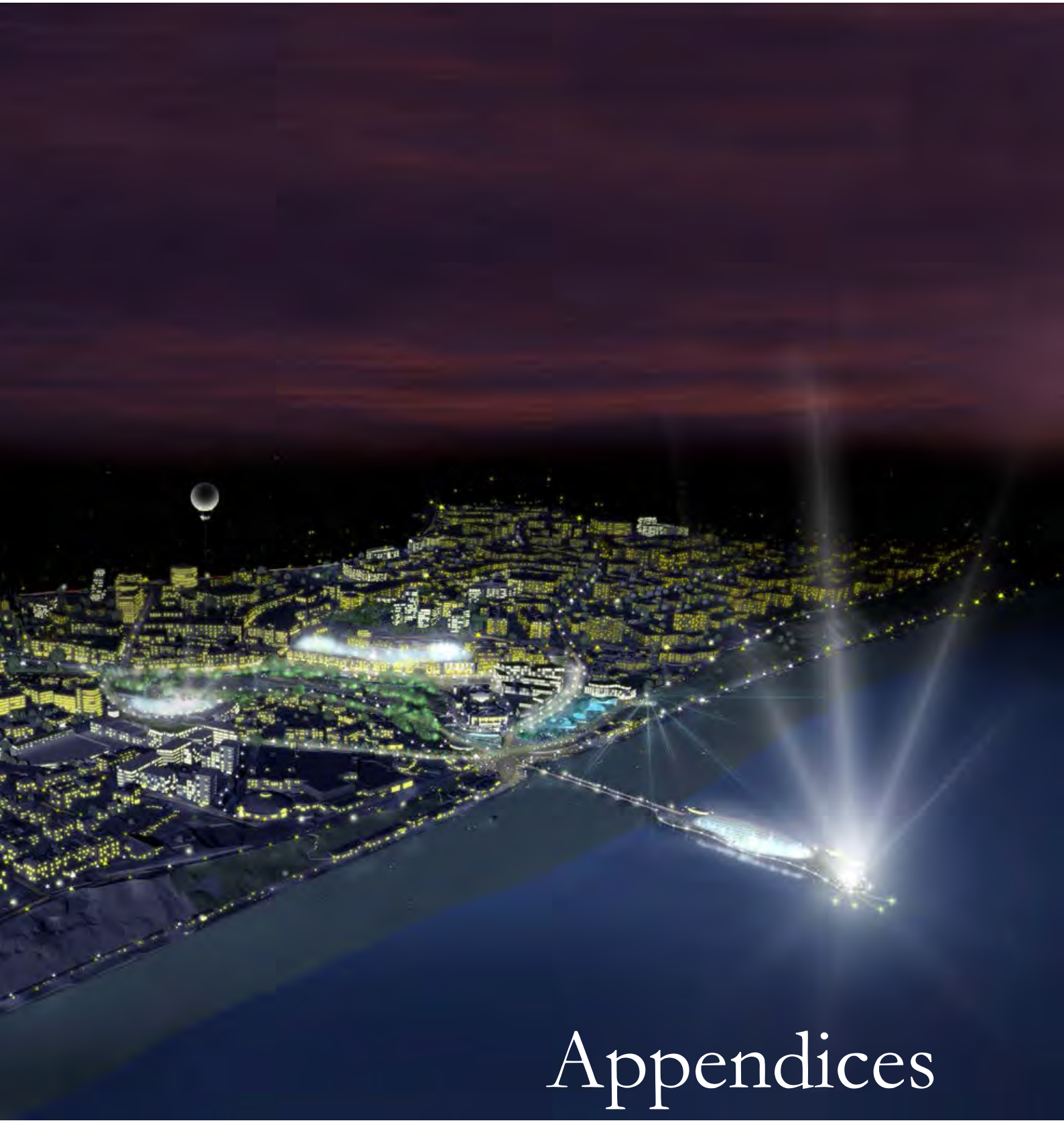
- Direct Tax
- Value Added Tax (VAT)
- Capital Allowances (CA)
- SDLT

KPMG has previously advised BDC and understand the complexities involved in the BDC structure. It is intended that they will be directly appointed to provide tax advice.

DRAFT

Appendix A - LLP Development Appraisal and Advanced Sums

Appendix B - DBK Cost Plan



Appendices

A

Site 1 Durley Road

Site Development Plan

Appendix A

Durley Road
Development Appraisal
Option - Low rise

02 October 2014

Appraisal Summary

BournemouthDevelopmentCompany

Durley Road Option - Low rise

15 August 2014 Open Market Sales

REVENUE	Quantity	Area (NIA) (m^2)	Revenue (£)	
Residential Units				
1 Bed Flat	20	980	3,390,000	
2 Bed Flat	35	2,450	9,100,010	
3 Bed Flat	10	1,000	3,500,000	
Circulation	-	1,108	-	
Totals	**65**	**5,538**		**£15,990,010**
			£psm	3,609
Car Parking			£psf	335
Totals	**-**			**£0**
Ground Rent				
Total	-		572,359	**£572,359**
Total Revenue				**£16,562,369**

CONSTRUCTION COSTS	GIA (m2)	£/ sq m	Cost	
Build Costs	5,538	1,480	8,195,500	
Car Parking	40	27,000	800,000	
			-	
Contingency		5%	449,775	
Total Construction Costs				**9,445,275**
Fees	Design and Professional Fees		829,896	
	LLP Fees		311,537	
	Development Management Fee		585,460	
				£1,726,893
Disposal / S106	Sales and Marketing Costs		662,495	
	S106 / 33 / 278; AH; CIL etc.		500,000	
				£1,162,495
Finance				
	Construction & Sales Period Finance Cost		928,081	
	Advanced Sums Finance Cost		33,290	
				£961,370
Total Other Costs			**4,829,409**	
Total Developments costs (excl land)				**£13,296,034**
DEVELOPMENT SURPLUS (LAND / PROFIT)				**£3,266,335**

Description		Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Total
Durley Road		"Stage 1" Project Appraisal	"Stage 2" to Planning Submission & Appraisal	"Stage 3" Contractor Procurement	Construction (including deferred payments)	Sales	Estate	
Indicative Build Cost	**9,405,275**	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	
Design and Professional Fees								
Designers, Advisers & Consultants		7%	33%	10%	50%			
Architect	3.0%	19,751	93,112	28,216	141,079			282,158
Structural Engineer	0.8%	5,267	24,830	7,524	37,621			75,242
Building Services & Sustainability	0.8%	4,938	23,278	7,054	35,270			70,540
Transport Engineering/Parking Strategy	0.5%	3,292	15,519	28,216	-			47,026
Landscape	0.6%	3,670	17,300	5,243	26,213			52,425
Acoustic Consultant	0.02%	-	2,000					2,000
Fire engineer	0.05%		5,000					5,000
Code Assessment	0.11%		3,000	3,000	4,000			10,000
Sub-total	5.8%	36,917	184,039	79,252	244,183	-	-	544,391
Surveys								
Traffic Survey	0.23%	21,838						21,838
Site Topographical Survey	0.01%		500					500
Geotechnical Soil Investigation	0.13%		12,000					12,000
Visual Impact Assessment	0.00%		-					-
Arboculturalists Report (Barrell)	0.07%	1,290	5,000					6,290
Transport Assessment	see above							-
Retail Assessment	n/a							-
Flood Risk Assessment	0.00%		-					-
Drainage & Services Surveys	0.00%		-					-
UXO Desktop Survey	0.02%		1,500					1,500
Acoustic Survey	0.11%		10,000					10,000
Archaeologist	0.00%		-					-
Ecology report	0.02%		2,000					2,000
Rights of Light/Daylight Sunlight Survey	0.16%		15,000					15,000
Other								-
								-
Sub-total	0.7%	23,128	46,000	-	-	-	-	69,128
Planning								
SW Design Review		-	-					-
Planning Consultant	0.24%	2,175	20,000					22,175
Scoping Advice								-
Section 73 Minor material amendment		-						-
Negotiation Stage								-
Supporting Documents to Planning Application	0.00%		-					-
s106 Negotiations - TOR								-
s278 Negotiations (included fees above)								-
Planning Conditions Negotiations	0.00%				-			-
Costs of Appealing a Planning Refusal				-				-
LABV / PSP Counsel								-
Public Inquiry Costs								-
Heritage Consultant			10,000					10,000
Defending Judicial Review Challenge								-
Pre-Application Fee	0.03%	-	3,000					3,000
Planning Fees	0.21%		20,000					20,000
Building Control Application Fees	0.05%		2,500	2,500				5,000
Other Building Control Inspection Fees	0.01%			1,000				1,000
Stopping up order								-
Valuations	0.00%		-					-
Sub-total		2,175	55,500	3,500	-	-	-	61,175
Utilities - Capacity Assessment Studies								
Utility Surveys	0.02%		-	-	2,000			2,000
LA Sewer connection fees	0.02%				2,000			2,000
Water	0.02%				2,000			2,000
Gas	0.02%			-	2,000			2,000
Elec	0.02%			-	2,000			2,000
BT/Cable	0.01%				1,000			1,000
Other								-
								-
Sub-total		-	-	-	11,000	-	-	11,000
Others								
NHBC Fees	0.53%			50,000	-			50,000
BREEAM Assessor - commercial units only	0.00%			-				-
Party Wall Surveyor	0.03%			1,500	1,500			3,000
Air Tightness/Leakage	0.00%				-			-
Community Engagement	0.05%		5,000					5,000
Other - abortive care related (Carterwood, PHW, pre-app, WL)		18,782						18,782
Contingency	0.22%		8,716.17	4,027.57	7,700.48			20,444
Sub-total		18,782	13,716	55,528	9,200	-	-	97,227
Construction								
OHP Margin - Payable on OED as agreed	6%	-	-	-	46,975.25	-	-	46,975
Total Build Advanced Sum Fees		**81,003**	**299,255**	**138,280**	**311,358**	**-**	**-**	**829,896**
Total Accumulative Build Advanced Sum Fees		**81,003**	**380,258**	**518,538**	**829,896**	**829,896**	**829,896**	**-**
	10,235,171							**9%**
LLP Appointments								
Cost Planning	0.30%	9,405	9,405	9,405				28,216
Employers Agent / Procurement	0.80%		10,000	20,000	45,242.20			75,242
CDM Co-ordinator	0.10%		3,135	3,135	3,135			9,405
Clerk of Works	0.21%	-			20,000			20,000
District Valuers Viability Report	0.03%		3,000					3,000
Sales and marketing	0.04%	1,000	1,500	1,500				4,000
Sub-total		10,405	27,040	34,040	68,377	-	-	139,863
	12,282,205							**1%**
Funding & Legal								
Financial Advisor Fees	0.50%				47,026			47,026
Funders Legal Fees	0.11%				10,000			10,000
Funders Technical Advisor								-
Model Auditor	0.35%			10,000	22,918			32,918
Insurance	0.55%			10,000	41,729.01			51,729
Legal Drafting - Land								-
Legal Drafting - Governance/SPV								-
Legal Drafting - Appointments and Contracts								-
Legal Drafting - PCSA	0.04%	4,000						4,000
SPV Legal Advisors	0.28%	-		6,000	20,000			26,000
Project Management Costs								-
Other (irrecoverable VAT)								-
								-
Sub-total		4,000	-	26,000	141,674	-	-	171,674
Total Project Costs		95,408	326,296	198,320	521,409	-	-	1,141,433
Total Accumulative Project Costs		95,408	421,704	620,024	1,141,433	1,141,433	1,141,433	-
Development								-
Development Management Fee (project)	5%	-	-	-	-	-	-	-
Total Fees		**95,408**	**326,296**	**198,320**	**521,409**	**-**	**-**	1,141,433

Durley Road
Development Appraisal
Option - Low rise

02 October 2014

Appraisal Summary

BournemouthDevelopmentCompany

Durley Road Option - Low rise

15 August 2014 Open Market Sales

REVENUE	Quantity	Area (NIA) (m^2)	Revenue (£)	
Residential Units				
1 Bed Flat	20	980	3,390,000	
2 Bed Flat	35	2,450	9,100,010	
3 Bed Flat	10	1,000	3,500,000	
Circulation	-	1,108	-	
Totals	**65**	**5,538**		**£15,990,010**
			£psm	3,609
Car Parking			£psf	335
Totals	**-**			**£0**
Ground Rent				
Total	-		572,359	**£572,359**
Total Revenue				**£16,562,369**

CONSTRUCTION COSTS	GIA (m2)	£/ sq m	Cost	
Build Costs	5,538	1,480	8,195,500	
Car Parking	40	27,000	800,000	
			-	
Contingency		5%	449,775	
Total Construction Costs				**9,445,275**

OTHER COSTS			
Land / Property	Land Purchase (LV)	978,650	
			£978,650
Fees	Design and Professional Fees	829,896	
	LLP Fees	311,537	
	Development Management Fee	585,460	
			£1,726,893
Disposal / S106	Sales and Marketing Costs	662,495	
	S106 / 33 / 278; AH; CIL etc.	500,000	
			£1,162,495
Finance			
	Construction & Sales Period Finance Cost	928,081	
	Advanced Sums Finance Cost	33,290	
			£961,370
Total Other Costs		**4,829,409**	
Total Developments costs (excl land)			**£13,296,034**
DEVELOPMENT SURPLUS (LAND / PROFIT)			**£3,266,335**

Description		Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Total
Durley Road		"Stage 1" Project Appraisal	"Stage 2" to Planning Submission & Appraisal	"Stage 3" Contractor Procurement	Construction (including deferred payments)	Sales	Estate	
Indicative Build Cost	**9,405,275**	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	£ 9,405,275	
Design and Professional Fees								
Designers, Advisers & Consultants		7%	33%	10%	50%			
Architect	3.0%	19,751	93,112	28,216	141,079			282,158
Structural Engineer	0.8%	5,267	24,830	7,524	37,621			75,242
Building Services & Sustainability	0.8%	4,938	23,278	7,054	35,270			70,540
Transport Engineering/Parking Strategy	0.5%	3,292	15,519	28,216	-			47,026
Landscape	0.6%	3,670	17,300	5,243	26,213			52,425
Acoustic Consultant	0.02%	-	2,000					2,000
Fire engineer	0.05%		5,000					5,000
Code Assessment	0.11%		3,000	3,000	4,000			10,000
Sub-total	5.8%	36,917	184,039	79,252	244,183	-	-	544,391
Surveys								
Traffic Survey	0.23%	21,838						21,838
Site Topographical Survey	0.01%		500					500
Geotechnical Soil Investigation	0.13%		12,000					12,000
Visual Impact Assessment	0.00%		-					-
Arboculturalists Report (Barrell)	0.07%	1,290	5,000					6,290
Transport Assessment	see above							-
Retail Assessment	n/a							-
Flood Risk Assessment	0.00%		-					-
Drainage & Services Surveys	0.00%		-					-
UXO Desktop Survey	0.02%		1,500					1,500
Acoustic Survey	0.11%		10,000					10,000
Archaeologist	0.00%		-					-
Ecology report	0.02%		2,000					2,000
Rights of Light/Daylight Sunlight Survey	0.16%		15,000					15,000
Other								-
								-
Sub-total	0.7%	23,128	46,000	-	-	-	-	69,128
Planning								
SW Design Review		-	-					-
Planning Consultant	0.24%	2,175	20,000					22,175
Scoping Advice								-
Section 73 Minor material amendment		-						-
Negotiation Stage								-
Supporting Documents to Planning Application	0.00%		-					-
s106 Negotiations - TOR								-
s278 Negotiations (included fees above)								-
Planning Conditions Negotiations	0.00%				-			-
Costs of Appealing a Planning Refusal				-				-
LABV / PSP Counsel								-
Public Inquiry Costs								-
Heritage Consultant			10,000					10,000
Defending Judicial Review Challenge								-
Pre-Application Fee	0.03%	-	3,000					3,000
Planning Fees	0.21%		20,000					20,000
Building Control Application Fees	0.05%		2,500	2,500				5,000
Other Building Control Inspection Fees	0.01%			1,000				1,000
Stopping up order								-
Valuations	0.00%		-					-
Sub-total		2,175	55,500	3,500	-	-	-	61,175
Utilities - Capacity Assessment Studies								
Utility Surveys	0.02%		-	-	2,000			2,000
LA Sewer connection fees	0.02%				2,000			2,000
Water	0.02%				2,000			2,000
Gas	0.02%			-	2,000			2,000
Elec	0.02%			-	2,000			2,000
BT/Cable	0.01%				1,000			1,000
Other								-
								-
Sub-total		-	-	-	11,000	-	-	11,000
Others								
NHBC Fees	0.53%			50,000	-			50,000
BREEAM Assessor - commercial units only	0.00%			-				-
Party Wall Surveyor	0.03%			1,500	1,500			3,000
Air Tightness/Leakage	0.00%				-			-
Community Engagement	0.05%		5,000					5,000
Other - abortive care related (Carterwood, PHW, pre-app, WL)		18,782						18,782
Contingency	0.22%		8,716.17	4,027.57	7,700.48			20,444
Sub-total		18,782	13,716	55,528	9,200	-	-	97,227
Construction								
OHP Margin - Payable on OED as agreed	6%	-	-	-	46,975.25	-	-	46,975
Total Build Advanced Sum Fees		**81,003**	**299,255**	**138,280**	**311,358**	**-**	**-**	**829,896**
Total Accumulative Build Advanced Sum Fees		**81,003**	**380,258**	**518,538**	**829,896**	**829,896**	**829,896**	**-**
	10,235,171							**9%**
LLP Appointments								
Cost Planning	0.30%	9,405	9,405	9,405				28,216
Employers Agent / Procurement	0.80%		10,000	20,000	45,242.20			75,242
CDM Co-ordinator	0.10%		3,135	3,135	3,135			9,405
Clerk of Works	0.21%	-			20,000			20,000
District Valuers Viability Report	0.03%		3,000					3,000
Sales and marketing	0.04%	1,000	1,500	1,500				4,000
Sub-total		10,405	27,040	34,040	68,377	-	-	139,863
	12,282,205							**1%**
Funding & Legal								
Financial Advisor Fees	0.50%				47,026			47,026
Funders Legal Fees	0.11%				10,000			10,000
Funders Technical Advisor								-
Model Auditor	0.35%			10,000	22,918			32,918
Insurance	0.55%			10,000	41,729.01			51,729
Legal Drafting - Land								-
Legal Drafting - Governance/SPV								-
Legal Drafting - Appointments and Contracts								-
Legal Drafting - PCSA	0.04%	4,000						4,000
SPV Legal Advisors	0.28%	-		6,000	20,000			26,000
Project Management Costs								-
Other (irrecoverable VAT)								-
								-
Sub-total		4,000	-	26,000	141,674	-	-	171,674
Total Project Costs		95,408	326,296	198,320	521,409	-	-	1,141,433
Total Accumulative Project Costs		95,408	421,704	620,024	1,141,433	1,141,433	1,141,433	-
Development								-
Development Management Fee (project)	5%	-	-	-	-	-	-	-
Total Fees		**95,408**	**326,296**	**198,320**	**521,409**	**-**	**-**	1,141,433

Durley Road
Development Appraisal
Option - High rise

03 October 2014

Appraisal Summary

BournemouthDevelopmentCompany

Durley Road Option - High rise
03 October 2014 Open Market Sales

REVENUE	Quantity	Area (NIA) (m^2)	Revenue (£)	
Residential Units				
1 Bed Flat	12	624	2,199,500	
2 Bed Flat	49	3,430	13,736,000	
2 Bed Flat	11	946	3,576,000	
3 Bed duplex penthouse	1	100	425,000	
3 Bed duplex penthouse	2	280	1,050,000	
Circulation	-	1,345		
Totals	**75**	**6,725**		**£20,986,500**
				3,901
Car Parking				363
Totals	**-**			**£0**
Ground Rent				
Total	-		634,321	**£634,321**
Total Revenue				**£21,620,821**

CONSTRUCTION COSTS	GIA (m2)	£/ sq m	Cost	
Build Costs	6,725	1,560	10,491,000	
Car Parking	50	27,000	1,350,000	
			-	
Contingency		5%	592,050	
Total Construction Costs				**12,433,050**

OTHER COSTS			
Fees	Design and Professional Fees	1,014,883	
	LLP Fees	385,326	
	Development Management Fee	759,364	
			£2,159,574
Disposal / S106	Sales and Marketing Costs	854,022	
	S106 / 33 / 278; AH; CIL etc.	500,000	
			£1,354,022
Finance			
	Construction & Sales Period Finance Cost	1,549,223	
	Advanced Sums Finance Cost	39,651	
			£1,588,874
Total Other Costs		**6,213,370**	
Total Development Costs (excl land)			**£17,535,520**
DEVELOPMENT SURPLUS (PROFIT / LAND VALUE)			**£4,085,301**

Description		Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Total
Durley Road		"Stage 1" Project Appraisal	"Stage 2" to Planning Submission & Appraisal	"Stage 3" Contractor Procurement	Construction (including deferred payments)	Sales	Estate	
Indicative Build Cost	**12,433,050**	£ 12,433,050	£ 12,433,050	£ 12,433,050	£ 12,433,050	£ 12,433,050	£ 12,433,050	
Design and Professional Fees								
Designers, Advisers & Consultants		7%	33%	10%	50%			
Architect	3.0%	26,109	123,087	37,299	186,496			372,992
Structural Engineer	0.8%	6,963	32,823	9,946	49,732			99,464
Building Services & Sustainability	0.8%	6,527	30,772	9,325	46,624			93,248
Transport Engineering/Parking Strategy	0.5%	4,352	20,515	37,299	-			62,165
Landscape	0.6%	4,851	22,870	6,930	34,651			69,302
Acoustic Consultant	0.02%	-	2,000					2,000
Fire engineer	0.04%		5,000					5,000
Code Assessment	0.08%		3,000	3,000	4,000			10,000
Sub-total	5.7%	48,802	240,066	103,800	321,503	-	-	714,171
Surveys								
Traffic Survey	0.18%	21,838						21,838
Site Topographical Survey	0.00%		500					500
Geotechnical Soil Investigation	0.10%		12,000					12,000
Visual Impact Assessment	0.00%		-					-
Arboculturalists Report (Barrell)	0.05%	1,290	5,000					6,290
Transport Assessment	see above							-
Retail Assessment	n/a							-
Flood Risk Assessment	0.00%		-					-
Drainage & Services Surveys	0.00%		-					-
UXO Desktop Survey	0.01%		1,500					1,500
Acoustic Survey	0.08%		10,000					10,000
Archaeologist	0.00%		-					-
Ecology report	0.02%		2,000					2,000
Rights of Light/Daylight Sunlight Survey	0.12%		15,000					15,000
Other								-
								-
Sub-total	0.6%	23,128	46,000	-	-	-	-	69,128
Planning								
SW Design Review		-	-					-
Planning Consultant	0.18%	2,175	20,000					22,175
Scoping Advice								-
Section 73 Minor material amendment		-						-
Negotiation Stage								-
Supporting Documents to Planning Application	0.00%		-					-
s106 Negotiations - TOR								-
s278 Negotiations (included fees above)								-
Planning Conditions Negotiations	0.00%				-			-
Costs of Appealing a Planning Refusal				-				-
LABV / PSP Counsel								-
Public Inquiry Costs								-
Heritage Consultant			10,000					10,000
Defending Judicial Review Challenge								-
Pre-Application Fee	0.02%	-	3,000					3,000
Planning Fees	0.16%		20,000					20,000
Building Control Application Fees	0.04%		2,500	2,500				5,000
Other Building Control Inspection Fees	0.01%			1,000				1,000
Stopping up order								-
Valuations	0.00%		-					-
Sub-total		2,175	55,500	3,500	-	-	-	61,175
Utilities - Capacity Assessment Studies								
Utility Surveys	0.02%		-	-	2,000			2,000
LA Sewer connection fees	0.02%				2,000			2,000
Water	0.02%				2,000			2,000
Gas	0.02%			-	2,000			2,000
Elec	0.02%			-	2,000			2,000
BT/Cable	0.01%				1,000			1,000
Other								-
								-
Sub-total		-	-	-	11,000	-	-	11,000
Others								
NHBC Fees	0.40%			50,000	-			50,000
BREEAM Assessor - commercial units only	0.00%			-				-
Party Wall Surveyor	0.02%			1,500	1,500			3,000
Air Tightness/Leakage	0.00%				-			-
Community Engagement	0.04%		5,000					5,000
Other - abortive care related (Carterwood, PHW, pre-app, WL)		18,782						18,782
Contingency	0.20%		10,396.99	4,763.99	10,020.08			25,181
Sub-total		18,782	15,397	56,264	11,520	-	-	101,963
Construction								
OHP Margin - Payable on OED as agreed	6%	-	-	-	57,446.23	-	-	57,446
Total Build Advanced Sum Fees		**92,887**	**356,963**	**163,564**	**401,469**	**-**	**-**	**1,014,883**
Total Accumulative Build Advanced Sum Fees		**92,887**	**449,851**	**613,414**	**1,014,883**	**1,014,883**	**1,014,883**	**-**
	13,447,933							**8.2%**
LLP Appointments								
Cost Planning	0.30%	12,433	12,433	12,433				37,299
Employers Agent / Procurement	0.80%		10,000	20,000	69,464			99,464
CDM Co-ordinator	0.10%		4,144	4,144	4,144			12,433
Clerk of Works	0.16%	-			20,000			20,000
District Valuers Viability Report	0.02%		3,000					3,000
Specification, sales and marketing	0.09%	1,500	5,000	5,000				11,500
Sub-total		13,933	34,577	41,577	93,609	-	-	183,697
	16,137,520							**1.5%**
Funding & Legal								
Financial Advisor Fees	0.50%				62,165			62,165
Funders Legal Fees	0.08%				10,000			10,000
Funders Technical Advisor								-
Model Auditor	0.25%			10,000	21,082.63			31,083
Insurance	0.55%			15,000	53,381.78			68,382
Legal Drafting - Land								-
Legal Drafting - Governance/SPV								-
Legal Drafting - Appointments and Contracts								-
Legal Drafting - PCSA	0.03%	4,000						4,000
SPV Legal Advisors	0.21%	-		6,000	20,000			26,000
Project Management Costs								-
Other (irrecoverable VAT)								-
								-
Sub-total		4,000	-	31,000	166,630	-	-	201,630
Total Project Costs		110,820	391,541	236,141	661,708	-	-	1,400,210
Total Accumulative Project Costs		110,820	502,361	738,502	1,400,210	1,400,210	1,400,210	-
Development								-
Development Management Fee (project)	5%	-	-	-	-	-	-	-
Total Fees		**110,820**	**391,541**	**236,141**	**661,708**	**-**	**-**	1,400,210

B

DRAFT

Site 1 Durley Road
Site Development Plan

Appendix B

FEASIBILITY ESTIMATE NR. 2

Durley Road, Bournemouth

Proposed Art Deco Block

Job Nr. 10237

PREPARED FOR BOURNEMOUTH DEVELOPMENT COMPANY

8 September 2014

	DBK LLP Initial	Date
Prepared by	JB	08/09/14
Comp Check	JB	08/09/14
Approved by	TW	08/0914

BUDGET COST NR 1

Cost Summary

Site Abnormals		Excluded		
Basement / Car Park		£800,274	£13	/ft2 GIFA
			£17	/ft2 Saleable
			£20,007	/space
Residential Total (excl basmt)		£7,907,674	£133	/ft2 GIFA
			£166	/ft2 Saleable
			£121,657	/ft2 unit
Externals		£288,939	£5	/ft2 GIFA
			£6	/ft2 Saleable
			£4,445	/ft2 unit
		£8,996,887		
Design development contingency	5%	£449,844.33		
Scheme Total base date 3Q14		**£9,446,731**	**£158**	**/ft2 GIFA**
			£198	**/ft2 Saleable**
			£145,334	**/ft2 unit**

Estimated Construction Cost Range **£9.21** ⟺ **£9.68 M**

EXCLUSIONS

VAT
Land purchase costs
Stamp Duty
Finance charges
Design Fees
PM/EA/QS fees
CDM Coordinator fees
Party Wall Surveyor(s) and costs
Other specialist consultants
Planning fees
Building Control fees
Site investigation costs
Site survey costs
Oversailing costs
Rights to light issues
Section 106/278 costs
Site abnormals (except where noted)
Ground abnormals
Drainage abnormals
Service abnormals
Highways
Inflation

RISK REGISTER

Planning - massing / mix / elevations key
Service abnormals / diversions
Network reinforcements
Right to light compensation / fees
Crane oversail licence - compensation
Access constraints or working restrictions
Product spec relation to sales values
Fire Strategy
Drainage abnormals
Stormwater attenuation
Acoustic attenuation
Scope S278 Works / Highways
Building Regulations 2013
Contamination
Foundation solution
Structural strategy
Elevational treatment
Window cleaning strategy to Building
Sustainability requirements
Affordable housing implication

RESIDENTIAL

BASEMENT STRUCTURES / CAR PARK

Semi Basement Structure					**569,875**
Bulk excavation & dispose	1,125	m3	35	39,375	
RC ground slab	1,125	m2	70	78,750	
Lift pits	1	Nr	6,000	6,000	
Column bases, ground beams etc	1,125	m2	70	78,750	
RC Frame	1,125	m2	80	90,000	
Shared RC suspended slab	1,125	m2	60	67,500	
EO for ramps	1	Nr	5,000	5,000	
Stairs	3	Nr	5,500	16,500	
Allowance for retaining walls	188	m	500	94,000	
Allowance for external walls, louvres	376	m2	250	94,000	
Car Park Fit Out					**86,625**
White lining	40	Nr	150	6,000	
Signage / sundries	1	item	5,000	5,000	
Column angle protection	1	item	5,000	5,000	
Decoration walls		m2	15		
Lighting	1,125	m2	30	33,750	
Control barriers & access into car park	1	item	10,000	10,000	
Drainage to basement	1,125	m2	15	16,875	
EO for pumping	1	item	10,000	10,000	
Other					**656,500**
Preliminaries			15%		98,475
Main Contractors OH&P			6%		45,299
Basement Total				**£**	**800,274**

Block - 5 Storey

Structural Shell & Substructure					**2,892,474**
Substructures / transfer over car park	1,125	m2	100	112,500	
EO for piling resi block	1,125	m2	85	95,625	
RC frame & upper floors	5,538	m2	150	830,625	
Balconies to perimeter of building	907	m2	400	362,880	
Staircases (per floor)	15	Nr	6,000	90,000	
Roof	1,125	m2	150	168,750	
External walls / envelope (based on 55% wall to floor)	3,046	m2	350	1,065,969	
Party walls	5,538	m2	30	166,125	
Private Rent Fit Out					**3,409,950**
Saleable area	4,430	m2	290	1,284,700	
Extra; M&E	65	Nr	23,850	1,550,250	
Extra; kitchens	65	Nr	4,500	292,500	
Extra; bathroom suites	65	Nr	1,750	113,750	
Extra; ensuite bathroom suites (2B & 3B)	45	Nr	1,750	78,750	
Extra; wardrobes (main bedroom only)	65	Nr	1,000	65,000	
Extra; penthouse enhancements	1	Item	25,000	25,000	
Common Areas					**184,594**
Circulation area	831	m2	150	124,594	
Extra; lifts serving 2 basement & 13 floors	1	Nr	50,000	50,000	
Extra; firefighting	1	Nr	10,000	10,000	
Sub total					**6,487,018**
Preliminaries			15%		973,053
Main Contractors OH&P			6%		447,604
Block Total				**£**	**7,907,674**

Siteworks					**93,300**
Car park access road	150	m2	180	27,000	
Deck area (partly over podium deck)		m2	300	0	
Site features	1	item	20,000	20,000	
External lighting	1	item	10,000	10,000	
Landscaping works	1,815	m2	20	36,300	
Utilities					**156,000**
Drainage	65	Nr	750	48,750	
Incoming - water, elec, gas, telecom	65	Nr	1,650	107,250	
Sub total					**249,300**
Preliminaries			15%		37,395
Main Contractors OH&P			6%		2,244
Block Total				**£**	**288,939**

Block - 5 storey		**m2**	**ft2**	**total m2**	**total ft2**
1 bedroom	20	49	527	980	10,549
2 bedroom	35	70.0	753	2,450	26,372
3 bedroom	10	100.0	1,076	1,000	10,764
sub -total	**65**			**4,430**	**47,684**
Circulation (based on 15% of gross)				831	8,941
Internal walls				277	2,980
Block Gross (based on 80% net:gross)	**65**			**5,538**	**59,605**

FEASIBILITY ESTIMATE NR. 2

Durley Road, Bournemouth

Proposed Residential Tower

Job Nr. 10237

PREPARED FOR BOURNEMOUTH DEVELOPMENT COMPANY

27th August 2014

	DBK LLP Initial	Date
Prepared by	JB	27/08/14
Comp Check	JB	27/08/14
Approved by	TW	27/08/14

BUDGET COST NR 1

Cost Summary

Site Abnormals		Excluded		
Basement / Car Park		£1,356,241	£19	/ft2 GIFA
			£23	/ft2 Saleable
			£27,125	/space
Residential Total (excl basmt)		£10,052,813	£139	/ft2 GIFA
			£174	/ft2 Saleable
			£134,038	/ft2 unit
Externals		£423,542	£6	/ft2 GIFA
			£7	/ft2 Saleable
			£5,647	/ft2 unit
		£11,832,595		
Design development contingency	5%	£591,629.76		
Scheme Total base date 3Q14		**£12,424,225**	**£172**	**/ft2 GIFA**
			£215	**/ft2 Saleable**
			£165,656	**/ft2 unit**

Estimated Construction Cost Range **£12.11** ⟺ **£12.73 M**

Design Fees	10%	£1,242,422.51

EXCLUSIONS

VAT
Land purchase costs
Stamp Duty
Finance charges
Design Fees
PM/EA/QS fees
CDM Coordinator fees
Party Wall Surveyor(s) and costs
Other specialist consultants
Planning fees
Building Control fees
Site investigation costs
Site survey costs
Oversailing costs

Rights to light issues
Section 106/278 costs
Site abnormals (except where noted)
Ground abnormals
Drainage abnormals
Service abnormals
Highways
Inflation

RISK REGISTER

Planning - massing / mix / elevations key
Service abnormals / diversions
Network reinforcements
Right to light compensation / fees
Crane oversail licence - compensation
Access constraints or working restrictions
Product spec relation to sales values
Fire Strategy
Drainage abnormals
Stormwater attenuation
Acoustic attenuation
Scope S278 Works / Highways
Building Regulations 2013
Contamination
Foundation solution
Structural strategy
Elevational treatment
Window cleaning strategy to Building
Sustainability requirements
Affordable housing implication

RESIDENTIAL

BASEMENT STRUCTURES / CAR PARK					
Basement Structure					**869,305**
CFA piled wall to suit basement depth	90	m	2,225	200,250	
Bulk excavation & dispose	4,512	m3	35	157,920	
RC ground slab	705	m2	80	56,400	
EO for piling (15m deep)	362	m2	160	57,920	
Lift pits	2	Nr	6,000	12,000	
Column bases, ground beams etc	705	m2	70	49,350	
RC Frame	1,410	m2	80	112,800	
RC suspended slab	705	m2	135	95,175	
EO for ramps	2	Nr	5,000	10,000	
Stairs	2	Nr	5,500	11,000	
RC suspended slab, podium only & waterproofing (resi ground floor excluded)	362	m2	145	52,490	
Allowance for lining wall / treatment of CFA walls	540	m2	100	54,000	
Basement car Park Fit Out					**243,280**
White lining	50	Nr	150	7,500	
Signage / sundries	1	item	10,000	10,000	
Column angle protection	1	item	10,000	10,000	
Decoration walls	362	m2	15	5,430	
Lighting	1,410	m2	30	42,300	
Allowance for ventilation (full mech)	705	m2	90	63,450	
Allowance for ventilation (part mech)	705	m2	40	28,200	
Allowance for sprinklers	1,410	m2	25	35,250	
Control barriers & access into car park	1	item	10,000	10,000	
Drainage to basement	1,410	m2	15	21,150	
EO for pumping	1	item	10,000	10,000	
Other					**1,112,585**
Preliminaries			15%		166,888
Main Contractors OH&P			6%		76,768
Basement Total				**£**	**1,356,241**

Block - 13 Storey					
Structural Shell & Substructure					**3,640,908**
Substructures / transfer over car park	535	m2	100	53,500	
EO for piling resi block	343	m2	85	29,155	
RC frame & upper floors	6,725	m2	140	941,500	
Extra; bolt on balconies (1nr 1b, 2nr 2b)	33	Nr	3,500	115,500	
Balcony to sea view apartments	660	m2	1,250	825,000	
Staircases (per floor)	13	Nr	6,000	78,000	
Roof	535	m2	150	80,250	
External walls / envelope (based on 55% wall to floor)	3,699	m2	350	1,294,563	
Party walls	3,192	m2	70	223,440	
Private Rent Fit Out					**4,042,800**
Saleable area	5,380	m2	285	1,533,300	
Extra; M&E	75	Nr	22,250	1,668,750	
Extra; sprinklers	75	Nr	1,750	131,250	
Extra; duplex stairs	3	Nr	2,250	6,750	
Extra; kitchens	75	Nr	4,500	337,500	
Extra; bathroom suites	75	Nr	1,750	131,250	
Extra; ensuite bathroom suites (2B & 3B)	63	Nr	1,750	110,250	
Extra; wardrobes (main bedroom only)	75	Nr	850	63,750	
Extra; penthouse enhancements	3	Nr	20,000	60,000	
Common Areas					**563,063**
Circulation area	1,009	m2	150	151,313	
Extra; M&E	1,009	m2	200	201,750	
Extra; lifts serving 2 basement & 13 floors	2	Nr	100,000	200,000	
Extra; firefighting	1	Nr	10,000	10,000	
Other					**8,246,770**
Preliminaries			15%		1,237,016
Main Contractors OH&P			6%		569,027
Block Total				**£**	**10,052,813**

Siteworks					**239,950**
Car park access road	150	m2	180	27,000	
Deck area (partly over podium deck)	625	m2	250	156,250	
Site features	1	item	20,000	20,000	
External lighting	1	item	10,000	10,000	
Landscaping works	1,780	m2	15	26,700	
Utilities					**107,500**
Drainage	50	Nr	650	32,500	
Incoming - water, elec, gas, telecom	50	Nr	1,500	75,000	
Other					**347,450**
Preliminaries			15%		52,118
Main Contractors OH&P			6%		23,974
Block Total				**£**	**423,542**

Block - 13 storey		**m2**	**ft2**	**total m2**	**total ft2**
1 bedroom	12	52	560	624	6,717
2 bedroom	49	70.0	753	3,430	36,920
3 bedroom	11	86.0	926	946	10,183
3 bedroom duplex	1	100.0	1,076	100	1,076
3 bedroom duplex	2	140.0	1,507	280	3,014
sub -total	**75**			**5,380**	**57,910**
Circulation (based on 15% of gross)				1,009	10,858
Internal walls				336	3,619
Block Gross (based on 80% net:gross)	**75**			**6,725**	**72,387**

DRAFT

MORGAN SINDALL INVESTMENTS

Morgan Sindall Investments Ltd
10 Furnival Street
London
EC4A 1AB