COMMUNITY INFRASTRUCTURE LEVY

Commercial Development

	£s per sqft	Yield	Rent free
Appraisal 1	£19.50	5.50%	
Appraisal 2	£20.50	5.50%	
Appraisal 3	£21.50	5.50%	
Appraisal 4	£22.66	5.75%	
Appraisal 5 (base)	£22.66	5.50%	
Appraisal 6	£22.66	5.25%	
Appraisal 7	£23.50	5.50%	
Appraisal 8	£24.50	5.50%	
Appraisal 9	£25.50	5.50%	
Appraisal 10	£26.50	5 50%	

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£10.00	7.00%	3.00 years	20.00%
Current use value 2	£15.00	7.00%	3.00 years	20.00%
Current use value 3	£20.00	6.75%	3.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent			
	from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-16%	£11	£0	£0
Appraisal 2	-11%	£151	£0	£0
Appraisal 3	-5%	£291	£92	£0
Appraisal 4	0%	£314	£116	£0
Appraisal 5 (base)	-	£443	£233	£0
Appraisal 6	0%	£607	£407	£171
Appraisal 7	4%	£572	£371	£136
Appraisal 8	7%	£712	£512	£276
Appraisal 9	11%	£850	£652	£415
Appraisal 10	14%	£991	£793	£557

Use class:	Hotel (B)
Location:	Tower Hamlets (build costs sens) Sep '14

Existing floorspace as % of new 30%

Net off existing floorspace from CIL calculation:

Ctrl + y to goal seek max CIL

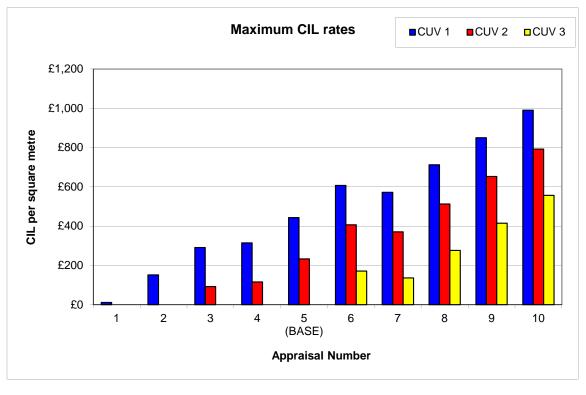
Premier Inn - Goodmans Fields, London, E1 8EY (Egi and Focus)
Capital value £38,815,000
Number of Rooms 250
Cap value per room £ 155,260
Floor area in sq ft 100,000

388.15

£388.15

Check capital Value PSF in appraisal

Cap value per sq ft



DEVELOPMENT APPRAISAL

Commercial Development

Use class: Hotel (B)

Location: wer Hamlets (build costs sens) Sep

DEVELOPMENT VALUE	Common as	sumptions	Appraisal 1	App	oraisal 2	Appraisal 3	Appraisal 4	Appraisal 5	Appraisal 6	Appraisal 7	Appraisal 8	Appraisal 9	Appraisal 10
Rental Income	Floor area		£ psf £ per an	C m of	C ========	£ psf £ per annum	Cont	£ psf £ per annum	Cool	C not	Craf	£ psf £ per annum	C not
				•	£ per annum								
Rent - area 2	100,000.00		£19.50 £1,950		£2,050,000	£21.50 £2,150,000 £21.50 £0	,,			, , ,		£25.50 £2,550,000	£26.50 £2,650,000
Rent - area 2			£19.50	£0 £21	£0		£22.66 £0					£25.50 £0	£26.50 £0
Rent - area 3			£19.50	£0 £21	£0	£21.50 £0	£22.66 £0				£24.50 £0	£25.50 £0	£26.50 £0
Total floor area / rent		100,000.00	£1,950	000	£2,050,000	£2,150,000	£2,266,269	£2,266,269	£2,266,269	£2,350,000	£2,450,000	£2,550,000	£2,650,000
Rent free/voids (years)			- 1.0	000	1.0000	- 1.0000	- 1.0000	- 1.0000	- 1.0000	- 1.0000	- 1.0000	- 1.0000	- 1.0000
Yield	5.50%		5.50%	5.509	6	5.50%	5.75%	5.50%	5.25%	5.50%	5.50%	5.50%	5.50%
Capitalised rent			£35,454	545	£37,272,727	£39,090,909	£39,413,367	£41,204,883	£43,167,021	£42,727,273	£44,545,455	£46,363,636	£48,181,818
GROSS DEVELOPMENT VALUE													
Purchaser's costs	5.80%		£2,056	364	£2,161,818	£2,267,273	£2,285,975	£2,389,883	£2,503,687	£2,478,182	£2,583,636	£2,689,091	£2,794,545
i diolidaci a coata	3.0070		£33,398		£35,110,909	£36,823,636	£37,127,391				£41,961,818	£43,674,545	£45,387,273
DEVELOPMENT COSTS			255,550	102	233,110,903	230,023,030	237,127,331	230,013,000	240,003,333		241,301,010	243,074,343	243,361,213
			00.046	105	22.242.425	00.040.405	00 040 405	00.040.40	00.040.405	00.040.405	20.040.405	00.040.405	00.040.405
Land costs			£6,842		£6,842,495	£6,842,495	£6,842,495	,. ,	,. ,		£6,842,495	£6,842,495	£6,842,495
Stamp duty and acquisition costs			-£393	443	-£393,443	-£393,443	-£393,443	-£393,443	-£393,443	-£393,443	-£393,443	-£393,443	-£393,443
Development Costs													
Existing floor area	30%	30,000						İ					
Demolition costs	£5.83 psf	,	£174	900	£174,900	£174,900	£174,900	£174,900	£174,900	£174,900	£174,900	£174,900	£174,900
Building costs	£175.00 psf		£17,500		£17,500,000	£17,500,000	£17,500,000	£17,500,000		£17,500,000	£17,500,000	£17,500,000	£17,500,000
Area	100% grs to net	100,000.00	,			, ,		i ' '	, ,	· · ·		, , ,	
External works	10.00%	,	£1,750	000	£1,750,000	£1,750,000	£1,750,000	£1,750,000	£1,750,000	£1,750,000	£1,750,000	£1,750,000	£1,750,000
Professional fees	10.00%		£1,942		£1,942,490	£1,942,490	£1,942,490				£1,942,490	£1,942,490	£1,942,490
Contingency	5.00%		£1,068		£1,068,370	£1,068,370	£1,068,370				£1,068,370	£1,068,370	£1,068,370
Mayoral CIL		100,000.00	£325		£325,158	£325,158	£325,158				£325,158	£325,158	£325,158
Residual S106	£5 psf	,	£500		£500,000	£500,000	£500,000				£500,000	£500,000	£500,000
CIL		100,000.00	-£39 -£3,941		,	-£13 -£1,338,402	-£11 -£1,118,278	-£1 -£143,874	,		£26 £2,566,511	£39 £3,853,579	£52 £5,172,696
Diamaged Contra													
<u>Disposal Costs</u> Letting Agent's fee (% of rent)	10.00%		£195	000	£205,000	£215,000	£226,627	£226,627	£226,627	£235,000	£245,000	£255,000	£265,000
0 0 ()	1.00%		£195		,	£215,000 £390.909	£226,627 £394.134		,		£445,455	£463,636	£265,000 £481,818
Agent's fees (on capital value)					£372,727	,	,		,			,	,
Legal fees (% of capital value)	0.75%		£265	909	£279,545	£293,182	£295,600	£309,037	£323,753	£320,455	£334,091	£347,727	£361,364
<u>Finance</u>												i	
Loan arrangement fee	1.00%		£193	193	£206,203	£219,225	£221,426	£231,170	£248,521	£245,270	£258,274	£271,145	£284,336
Interest rate	7.00%											ĺ	
Interest	18 months		£1,057	077	£1,127,575	£1,198,134	£1,210,598	£1,601,975	£1,356,293	£1,339,260	£1,409,729	£1,479,495	£1,550,944
Profit on cost			£5,564	061	£5,850,460	£6,135,619	£6,187,315	£6,468,047	£6,775,307	£6,705,790	£6,992,790	£7,293,993	£7,561,145
Profit on cost (%)				99%	19.99%	19.99%	20.00%		, ,		20.00%	20.05%	19.99%
					1111070	. 3.00 /0			10.0070			=3100 70	15.5070
Net additional floorspace (sq ft)		70,000		000	70,000	70,000	70,000	-,			70,000	70,000	70,000
Net additional floorspace (sq m)		6,503	6	503	6,503	6,503	6,503	6,503	6,503	6,503	6,503	6,503	6,503

CURRENT USE VALUE

Use class: Hotel (B)

Commercial Development

	Common as	sumptions
Current use value		
Existing space as percentage of new	30%	30,000
Rent per sq ft		
Rental income per annum		
Rent free/voids (years)		
Total revenue, capitalised (including all costs)		
Refurbishment costs	£50 psf	
Fees	7%	
Capitalised rent, net of refurb and fees		
Purchaser's costs	5.75%	
Current use value		
CUV including Landowner premium		
<u>-</u>		

Common as	Common assumptions		CUV 1		V 2	CUV 3		
30%	30,000							
		£10 psf		£15 psf		£20 psf		
		£300,000		£450,000		£600,000		
		3.0	0.8163	3.0	0.8163	3.0	0.8220	
		7.00%		7.00%		6.75%		
£50 psf		£1,500,000		£1,500,000		£1,500,000		
7%		£105,000		£105,000		£105,000		
			£1,893,419		£3,642,629		£5,702,079	
5.75%								
			£1,893,419		£3,642,629		£5,702,079	
		20%	£2,272,103	20.00%	£4,371,155	20.00%	£6,842,495	