

# DEVELOPMENT POTENTIAL FEASIBILITY STATEMENT

Job No: **DP-06-292**      **05-Oct-06**      Printed  
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Project:	<b>Residential Development</b>		<b>Scenario: I</b>	
Location:	<b>174 C Bow Common Lane E3</b>		No of Flats	<b>6</b> Units
Client:	<b>BOULCOTT DEVELOPMENTS LTD (PIAM LTD)</b>		Commercial	Units
Address:	<b>Access House, Manor Rd, Ealing London W13 0AS</b>		(Refer Notes below)	
Approx. check dimensions	Width (m)	Length (m)	Area (m <sup>2</sup> )	Acres      Hectares
Portion 1			384	0.09      0.04
Portion 2			-	-      -
Portion 3			-	-      -
Portion 4			-	-      -
			<b>384</b>	<b>0.09</b> <b>0.04</b>
Actual Land Extent	<u>Area (m<sup>2</sup>)</u>			
Plot Area	384		Land Cost	£ <b>687,500</b> (Apportioned)
Parking	95	25%	Land cost per m <sup>2</sup>	£ <b>1,790</b> <u>Total</u>
Amenity	90	23%	<u>Typical Unit</u>	<u>Commercial</u> <u>Flat</u> <u>Area (m<sup>2</sup>)</u>
Building foot print	200	52%	Ground Floor	89.302      208.372      297.7
		100%	First Floor	-      -      -
Approx Average plot size	<b>384</b>	m <sup>2</sup>	Second floor	-      -      -
			Third floor	-      -      -
				Total area <b>297.7</b>
<u>Apartment No</u>	<u>Floor Area (m<sup>2</sup>)</u>	<u>Price / unit</u>	<u>Selling Price</u>	<u>Total Area (m<sup>2</sup>)</u> <u>Unit Type</u> <u>Units</u>
1BR House	44.65	235,000	470,000	89.3      1BR House      2
2 BR House	52.09	285,000	1,140,000	208.4      2 BR House      4
			-	-      -      -
			-	-      -      -
			-	-      -      -
			-	-      -      -
			£ <b>1,610,000.00</b>	<b>297.7</b> Total <b>6</b>
Total area	<b>96.7</b>		Total Commercial Area	
			Total Residential Area	297.7
			<b>Construction cost</b>	<u>Av. Cost £ / unit</u>
Garden			Commercial	-      -
			Residential	386,976.74      64,496
Av. Amenity Space %	23%		Demolition & Prelim	100,000.00      16,667
Parking			Contingencies	19,348.84      3,225
<b>Construction cost/ Sqm</b>			Total Construction cost	£ <b>506,325.58</b> <b>84,388</b>
<b>Commercial</b>	£ <b>600.00</b>		Total Land + Constr. cost	£ <b>1,193,825.58</b> <b>198,971</b>
<b>Residential</b>	£ <b>1,300.00</b>			
<b>Demolition &amp; Prelims</b>	£ <b>100,000.00</b>			
			<b>Average Costs</b>	
			<u>Per Unit (£)</u>	<u>Per m<sup>2</sup> (£)</u>
-Land Cost	687,500		114,583	2,310
-Stamp & Legal	27,500		4,583	92
- Building Cost	506,326		84,388	1,701
-Management Cost	15,190		2,532	51
-Contingencies	19,349		3,225	65
-Interest	51,250		8,542	172
-Sales Agent	24,150		4,025	81
-Prof Fees	35,443		5,907	119
Total Cost	1,366,707		227,784	4,591
Total Selling price	1,610,000		268,333	5,409
Gross Profit	<b>£243,293</b>		<b>£40,549</b>	<b>£817</b>

**Notes for Scenario:1**

- 1.0 Construction of 4 x 2BR and 2 x 1BR houses with garden and 4 car park
- 2.0 Parking not provided as it is centrally located
- 3.0 Building Finish - **Standard**
- 4.0 Allow for new service connections (Electricity, water and gas)
- 5.0 All building works to have 10 year NHBC guarantee
- 6.0 Construction period - **9** Months
- 7.0 Shell & Core commences on approved plans, alternate proposal subject to amendments to approved plan

<b>DEVELOPMENT POTENTIAL</b>							<b>Scenario: I</b>	
<b>CASHFLOW STATEMENT</b>							<b>Residential Development</b>	
Beginning	Ending	Ending	Ending	Ending	Ending	Ending	<b>PROFITABILITY STATEMENT</b>	
1st Month	3rd Month	5th Month	7th Month	9th Month	11th Month	13th Month	<b>INFLOW</b>	<b>TOTALS</b>
-	-	-	-	-	1,610,000	-	-Sale Proceeds	1,610,000
325,000							-Equity	325,000
510,000	170,000	145,000	120,000	35,000			-Loan	980,000
835,000	170,000	145,000	120,000	35,000	1,610,000	-	<b>Total Inflows</b>	2,915,000
							<b>OUTFLOW</b>	
687,500							-Land Cost	687,500
27,500							-Stamp & Legal	27,500
101,265	151,898	126,581	101,265	25,316	-	-	-Building Cost	506,326
3,797	3,797	3,797	3,797	-	-	-	-Project Managmnt	15,190
					19,349		-Contingencies	19,349
	5,313	7,083	8,594	9,844	10,208	10,208	-Interest	51,250
						980,000	-Repayments Bank	980,000
-	-	-	-	-	24,150	-	-Sales Agent	24,150
10,633	8,861	8,861	7,089	-	-	-	-Prof Fees	35,443
							-Repayments Equity	325,000
830,695	169,868	146,323	120,745	35,160	53,707	990,208	<b>Total Outflow</b>	2,671,707
							<b>Nett Flow</b>	
4,305	4,436	3,113	2,369	2,209	1,558,501	568,293		243,293
510,000	680,000	825,000	945,000	980,000	980,000	-	Gross Profit	243,293
<b>Loan Balance</b>							GP on Cost (%)	17.8%
<b>Equity Ratio</b>							GP on Sales (%)	15.1%
Investor		25%		Based on Land & Building cost				
Bank		75%						
<b>Financial Progress</b>								
Professional fees								
30%	25%	25%	20%	<<< Design			100%	Check
Construction cost								
20%	30%	25%	20%	5%	<<<Construction			100%
Management Cost								
25.0%	25.0%	25.0%	25.0%	<<<Construction			100%	
<b>Sales Programme</b>								
End	End	End	End	End	End	End	Flat No	Sale %
Nov-06	Jan-07	Mar-07	May-07	Jul-07	Sep-07	Nov-07		Received
					100%		1BR House	100%
					100%		2 BR House	100%
							-	0%
							-	0%
							-	0%
							-	0%
							-	0%
							-	0%
					470,000			470,000
					1,140,000			1,140,000
								-
								-
								-
								-
								-
								-
					1,610,000			£1,610,000