

Eastleigh BC - Strategic Growth Option Base Appraisal v1

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v1****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v1**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v1**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491

PROFESSIONAL FEES

Professional Fees		10%	72,906,569	
				72,906,569

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	34,230,470	
Sales Legal Fee	5,200.00 un		750 /un	3,900,000	
					38,130,470

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	18,431,300	
Market Profit			20%	228,203,134	
					250,703,574

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				53,734,149	
Construction				44,109,372	
Total Finance Cost					97,843,521

TOTAL COSTS**1,469,919,125****PROFIT****9,086,419****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v1**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£124,918,946) (£75,000,000)	(£93,836,847) (£75,000,000)	(£64,121,828) (£75,000,000)	(£35,513,277) (£75,000,000)	(£8,034,326) (£75,000,000)	£18,854,964 (£75,000,000)	£44,809,426 (£75,000,000)	£70,139,464 (£75,000,000)	£94,797,525 (£75,000,000)
-6.000% 1,129.89 /m ²	(£135,757,715) (£75,000,000)	(£104,082,095) (£75,000,000)	(£73,906,436) (£75,000,000)	(£45,048,885) (£75,000,000)	(£17,242,483) (£75,000,000)	£9,875,398 (£75,000,000)	£36,042,922 (£75,000,000)	£61,675,358 (£75,000,000)	£86,423,856 (£75,000,000)
-5.000% 1,141.91 /m ²	(£146,655,807) (£75,000,000)	(£114,431,190) (£75,000,000)	(£83,877,987) (£75,000,000)	(£54,725,697) (£75,000,000)	(£26,482,269) (£75,000,000)	£786,109 (£75,000,000)	£27,276,417 (£75,000,000)	£53,092,575 (£75,000,000)	£78,049,231 (£75,000,000)
-4.000% 1,153.93 /m ²	(£157,867,103) (£75,000,000)	(£125,037,500) (£75,000,000)	(£94,053,766) (£75,000,000)	(£64,426,498) (£75,000,000)	(£35,851,305) (£75,000,000)	(£8,407,910) (£75,000,000)	£18,446,998 (£75,000,000)	£44,382,069 (£75,000,000)	£69,674,426 (£75,000,000)
-3.000% 1,165.95 /m ²	(£169,347,436) (£75,000,000)	(£135,863,753) (£75,000,000)	(£104,299,014) (£75,000,000)	(£74,183,654) (£75,000,000)	(£45,364,942) (£75,000,000)	(£17,616,068) (£75,000,000)	£9,480,908 (£75,000,000)	£35,615,565 (£75,000,000)	£61,224,138 (£75,000,000)
-2.000% 1,177.97 /m ²	(£180,918,114) (£75,000,000)	(£146,727,932) (£75,000,000)	(£114,609,284) (£75,000,000)	(£84,123,603) (£75,000,000)	(£55,030,367) (£75,000,000)	(£26,843,710) (£75,000,000)	£404,418 (£75,000,000)	£26,849,061 (£75,000,000)	£52,652,981 (£75,000,000)
-1.000% 1,189.99 /m ²	(£192,921,521) (£75,000,000)	(£157,862,736) (£75,000,000)	(£125,165,512) (£75,000,000)	(£94,270,685) (£75,000,000)	(£64,731,169) (£75,000,000)	(£36,191,857) (£75,000,000)	(£8,781,495) (£75,000,000)	£18,037,883 (£75,000,000)	£43,954,712 (£75,000,000)
0.000% 1,202.01 /m ²	(£205,113,870) (£75,000,000)	(£169,314,537) (£75,000,000)	(£135,969,790) (£75,000,000)	(£104,515,932) (£75,000,000)	(£74,465,914) (£75,000,000)	(£45,686,034) (£75,000,000)	(£17,989,652) (£75,000,000)	£9,086,419 (£75,000,000)	£35,188,208 (£75,000,000)
+1.000% 1,214.03 /m ²	(£217,515,492) (£75,000,000)	(£180,832,800) (£75,000,000)	(£146,815,679) (£75,000,000)	(£114,796,375) (£75,000,000)	(£84,375,413) (£75,000,000)	(£55,335,037) (£75,000,000)	(£27,207,359) (£75,000,000)	£22,727 (£75,000,000)	£26,421,704 (£75,000,000)
+2.000% 1,226.05 /m ²	(£230,301,831) (£75,000,000)	(£192,718,251) (£75,000,000)	(£157,874,699) (£75,000,000)	(£125,303,115) (£75,000,000)	(£94,487,603) (£75,000,000)	(£65,035,839) (£75,000,000)	(£36,535,622) (£75,000,000)	(£9,155,080) (£75,000,000)	£17,625,125 (£75,000,000)
+3.000% 1,238.07 /m ²	(£243,177,044) (£75,000,000)	(£204,906,906) (£75,000,000)	(£169,281,637) (£75,000,000)	(£136,075,828) (£75,000,000)	(£104,732,851) (£75,000,000)	(£74,754,932) (£75,000,000)	(£46,007,762) (£75,000,000)	(£18,363,237) (£75,000,000)	£8,689,952 (£75,000,000)
+4.000% 1,250.09 /m ²	(£256,052,257) (£75,000,000)	(£217,212,514) (£75,000,000)	(£180,774,900) (£75,000,000)	(£146,917,703) (£75,000,000)	(£114,992,597) (£75,000,000)	(£84,631,515) (£75,000,000)	(£55,639,708) (£75,000,000)	(£27,574,823) (£75,000,000)	(£360,003) (£75,000,000)
+5.000% 1,262.11 /m ²	(£268,927,470) (£75,000,000)	(£229,895,330) (£75,000,000)	(£192,541,358) (£75,000,000)	(£157,904,579) (£75,000,000)	(£125,450,019) (£75,000,000)	(£94,711,404) (£75,000,000)	(£65,340,509) (£75,000,000)	(£36,882,013) (£75,000,000)	(£9,528,664) (£75,000,000)
+6.000% 1,274.13 /m ²	(£281,802,683) (£75,000,000)	(£242,770,544) (£75,000,000)	(£204,701,415) (£75,000,000)	(£169,248,738) (£75,000,000)	(£136,181,865) (£75,000,000)	(£104,949,770) (£75,000,000)	(£75,048,224) (£75,000,000)	(£46,334,412) (£75,000,000)	(£18,736,822) (£75,000,000)
+7.000% 1,286.15 /m ²	(£294,677,896) (£75,000,000)	(£255,645,757) (£75,000,000)	(£216,941,644) (£75,000,000)	(£180,739,344) (£75,000,000)	(£147,023,740) (£75,000,000)	(£115,197,746) (£75,000,000)	(£84,892,216) (£75,000,000)	(£55,944,378) (£75,000,000)	(£27,944,979) (£75,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v1****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v1**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£118,927,087 (£75,000,000)	£142,524,201 (£75,000,000)	£165,878,328 (£75,000,000)	£188,720,322 (£75,000,000)	£211,253,453 (£75,000,000)	£233,292,847 (£75,000,000)
£110,821,552 (£75,000,000)	£134,493,282 (£75,000,000)	£157,992,915 (£75,000,000)	£180,986,208 (£75,000,000)	£203,613,310 (£75,000,000)	£225,810,322 (£75,000,000)
£102,623,590 (£75,000,000)	£126,462,362 (£75,000,000)	£150,042,135 (£75,000,000)	£173,208,374 (£75,000,000)	£195,924,114 (£75,000,000)	£218,290,072 (£75,000,000)
£94,326,383 (£75,000,000)	£118,428,995 (£75,000,000)	£142,022,728 (£75,000,000)	£165,366,738 (£75,000,000)	£188,193,798 (£75,000,000)	£210,715,248 (£75,000,000)
£85,954,737 (£75,000,000)	£110,332,816 (£75,000,000)	£133,991,808 (£75,000,000)	£157,483,356 (£75,000,000)	£180,460,370 (£75,000,000)	£203,081,614 (£75,000,000)
£77,580,112 (£75,000,000)	£102,144,824 (£75,000,000)	£125,960,888 (£75,000,000)	£149,537,832 (£75,000,000)	£172,689,920 (£75,000,000)	£195,396,015 (£75,000,000)
£69,205,487 (£75,000,000)	£93,855,241 (£75,000,000)	£117,929,969 (£75,000,000)	£141,521,254 (£75,000,000)	£164,855,149 (£75,000,000)	£187,667,275 (£75,000,000)
£60,770,639 (£75,000,000)	£85,485,618 (£75,000,000)	£109,844,081 (£75,000,000)	£133,490,334 (£75,000,000)	£156,973,797 (£75,000,000)	£179,933,846 (£75,000,000)
£52,213,388 (£75,000,000)	£77,110,993 (£75,000,000)	£101,664,351 (£75,000,000)	£125,459,415 (£75,000,000)	£149,033,530 (£75,000,000)	£172,171,466 (£75,000,000)
£43,527,355 (£75,000,000)	£68,736,368 (£75,000,000)	£93,384,099 (£75,000,000)	£117,428,495 (£75,000,000)	£141,019,780 (£75,000,000)	£164,343,075 (£75,000,000)
£34,760,851 (£75,000,000)	£60,316,543 (£75,000,000)	£85,016,499 (£75,000,000)	£109,353,845 (£75,000,000)	£132,988,861 (£75,000,000)	£156,464,238 (£75,000,000)
£25,994,347 (£75,000,000)	£51,771,972 (£75,000,000)	£76,641,874 (£75,000,000)	£101,183,878 (£75,000,000)	£124,957,941 (£75,000,000)	£148,529,227 (£75,000,000)
£17,209,647 (£75,000,000)	£43,098,411 (£75,000,000)	£68,267,249 (£75,000,000)	£92,912,163 (£75,000,000)	£116,927,021 (£75,000,000)	£140,518,307 (£75,000,000)
£8,291,007 (£75,000,000)	£34,333,495 (£75,000,000)	£59,859,285 (£75,000,000)	£84,547,380 (£75,000,000)	£108,862,096 (£75,000,000)	£132,487,387 (£75,000,000)
(£745,899) (£75,000,000)	£25,566,991 (£75,000,000)	£51,329,058 (£75,000,000)	£76,172,755 (£75,000,000)	£100,703,151 (£75,000,000)	£124,456,467 (£75,000,000)

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Eastleigh BC - Strategic Growth Option v2

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v2****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

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Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

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Retail - Comparison / Convenience

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(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v2**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	
			90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
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Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v2**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		20%	228,203,134	
				250,703,574
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			68,461,437	
Construction			44,109,372	
Total Finance Cost				112,570,808
TOTAL COSTS				1,500,733,913
PROFIT				21,728,369

Performance Measures

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v2**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²							
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£162,708,817) (£90,000,000)	(£129,546,520) (£90,000,000)	(£98,226,201) (£90,000,000)	(£68,241,878) (£90,000,000)	(£39,477,585) (£90,000,000)	(£11,771,817) (£90,000,000)	£15,324,010 (£90,000,000)	£41,484,819 (£90,000,000)	£67,153,365 (£90,000,000)
-6.000% 1,129.89 /m ²	(£174,200,095) (£90,000,000)	(£140,388,396) (£90,000,000)	(£108,487,968) (£90,000,000)	(£78,129,100) (£90,000,000)	(£49,117,096) (£90,000,000)	(£20,994,407) (£90,000,000)	£6,246,241 (£90,000,000)	£32,718,315 (£90,000,000)	£58,547,365 (£90,000,000)
-5.000% 1,141.91 /m ²	(£185,940,970) (£90,000,000)	(£151,361,286) (£90,000,000)	(£118,940,031) (£90,000,000)	(£88,207,092) (£90,000,000)	(£58,817,898) (£90,000,000)	(£30,330,101) (£90,000,000)	(£2,937,244) (£90,000,000)	£23,889,274 (£90,000,000)	£49,823,966 (£90,000,000)
-4.000% 1,153.93 /m ²	(£198,085,745) (£90,000,000)	(£162,675,917) (£90,000,000)	(£129,652,558) (£90,000,000)	(£98,443,120) (£90,000,000)	(£68,531,530) (£90,000,000)	(£39,801,093) (£90,000,000)	(£12,145,402) (£90,000,000)	£14,929,520 (£90,000,000)	£41,057,462 (£90,000,000)
-3.000% 1,165.95 /m ²	(£210,324,480) (£90,000,000)	(£174,166,523) (£90,000,000)	(£140,494,433) (£90,000,000)	(£108,692,416) (£90,000,000)	(£78,389,294) (£90,000,000)	(£49,421,766) (£90,000,000)	(£21,360,905) (£90,000,000)	£5,864,550 (£90,000,000)	£32,290,958 (£90,000,000)
-2.000% 1,177.97 /m ²	(£222,888,624) (£90,000,000)	(£185,803,878) (£90,000,000)	(£151,412,432) (£90,000,000)	(£119,098,541) (£90,000,000)	(£88,436,985) (£90,000,000)	(£59,122,568) (£90,000,000)	(£30,675,460) (£90,000,000)	(£3,310,829) (£90,000,000)	£23,479,199 (£90,000,000)
-1.000% 1,189.99 /m ²	(£235,755,950) (£90,000,000)	(£197,880,254) (£90,000,000)	(£162,649,125) (£90,000,000)	(£129,761,177) (£90,000,000)	(£98,660,039) (£90,000,000)	(£68,827,882) (£90,000,000)	(£40,127,743) (£90,000,000)	(£12,518,986) (£90,000,000)	£14,534,813 (£90,000,000)
0.000% 1,202.01 /m ²	(£248,631,163) (£90,000,000)	(£210,081,273) (£90,000,000)	(£174,133,624) (£90,000,000)	(£140,600,470) (£90,000,000)	(£108,905,287) (£90,000,000)	(£78,655,662) (£90,000,000)	(£49,726,685) (£90,000,000)	(£21,728,369) (£90,000,000)	£5,481,592 (£90,000,000)
+1.000% 1,214.03 /m ²	(£261,506,376) (£90,000,000)	(£222,532,208) (£90,000,000)	(£185,695,349) (£90,000,000)	(£151,478,129) (£90,000,000)	(£119,266,002) (£90,000,000)	(£88,670,758) (£90,000,000)	(£59,427,238) (£90,000,000)	(£31,025,053) (£90,000,000)	(£3,684,414) (£90,000,000)
+2.000% 1,226.05 /m ²	(£274,381,589) (£90,000,000)	(£235,349,449) (£90,000,000)	(£197,674,764) (£90,000,000)	(£162,639,399) (£90,000,000)	(£129,878,998) (£90,000,000)	(£98,876,957) (£90,000,000)	(£69,128,040) (£90,000,000)	(£40,456,205) (£90,000,000)	(£12,892,571) (£90,000,000)
+3.000% 1,238.07 /m ²	(£287,256,802) (£90,000,000)	(£248,224,663) (£90,000,000)	(£209,865,640) (£90,000,000)	(£174,100,725) (£90,000,000)	(£140,706,508) (£90,000,000)	(£109,122,205) (£90,000,000)	(£78,925,800) (£90,000,000)	(£50,036,746) (£90,000,000)	(£22,100,728) (£90,000,000)
+4.000% 1,250.09 /m ²	(£300,132,015) (£90,000,000)	(£261,099,876) (£90,000,000)	(£222,213,225) (£90,000,000)	(£185,613,951) (£90,000,000)	(£151,558,192) (£90,000,000)	(£119,442,162) (£90,000,000)	(£88,909,186) (£90,000,000)	(£59,731,908) (£90,000,000)	(£31,375,956) (£90,000,000)
+5.000% 1,262.11 /m ²	(£313,007,228) (£90,000,000)	(£273,975,089) (£90,000,000)	(£234,942,949) (£90,000,000)	(£197,475,416) (£90,000,000)	(£162,647,000) (£90,000,000)	(£130,006,068) (£90,000,000)	(£99,093,876) (£90,000,000)	(£69,432,710) (£90,000,000)	(£40,788,499) (£90,000,000)
+6.000% 1,274.13 /m ²	(£325,882,442) (£90,000,000)	(£286,850,302) (£90,000,000)	(£247,818,162) (£90,000,000)	(£209,660,149) (£90,000,000)	(£174,067,825) (£90,000,000)	(£140,812,545) (£90,000,000)	(£109,339,124) (£90,000,000)	(£79,200,632) (£90,000,000)	(£50,346,808) (£90,000,000)
+7.000% 1,286.15 /m ²	(£338,757,655) (£90,000,000)	(£299,725,515) (£90,000,000)	(£260,693,376) (£90,000,000)	(£221,928,281) (£90,000,000)	(£185,559,554) (£90,000,000)	(£151,654,421) (£90,000,000)	(£119,627,112) (£90,000,000)	(£89,154,326) (£90,000,000)	(£60,036,579) (£90,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v2****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option v2

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£91,944,507 (£90,000,000)	£116,435,164 (£90,000,000)	£140,197,196 (£90,000,000)	£163,766,469 (£90,000,000)	£186,921,763 (£90,000,000)	£209,631,230 (£90,000,000)
£83,569,882 (£90,000,000)	£108,189,797 (£90,000,000)	£132,166,277 (£90,000,000)	£155,757,562 (£90,000,000)	£179,079,923 (£90,000,000)	£201,914,613 (£90,000,000)
£75,184,457 (£90,000,000)	£99,850,013 (£90,000,000)	£124,100,683 (£90,000,000)	£147,726,642 (£90,000,000)	£171,198,099 (£90,000,000)	£194,180,048 (£90,000,000)
£66,703,500 (£90,000,000)	£91,475,388 (£90,000,000)	£115,952,044 (£90,000,000)	£139,695,723 (£90,000,000)	£163,262,167 (£90,000,000)	£186,403,310 (£90,000,000)
£58,110,971 (£90,000,000)	£83,100,763 (£90,000,000)	£107,714,217 (£90,000,000)	£131,664,803 (£90,000,000)	£155,256,089 (£90,000,000)	£178,568,333 (£90,000,000)
£49,396,610 (£90,000,000)	£74,720,358 (£90,000,000)	£99,380,894 (£90,000,000)	£123,608,195 (£90,000,000)	£147,225,169 (£90,000,000)	£170,688,540 (£90,000,000)
£40,630,105 (£90,000,000)	£66,253,635 (£90,000,000)	£91,006,269 (£90,000,000)	£115,468,924 (£90,000,000)	£139,194,249 (£90,000,000)	£162,757,864 (£90,000,000)
£31,863,601 (£90,000,000)	£57,672,541 (£90,000,000)	£82,631,644 (£90,000,000)	£107,238,637 (£90,000,000)	£131,163,329 (£90,000,000)	£154,754,615 (£90,000,000)
£23,066,441 (£90,000,000)	£48,969,253 (£90,000,000)	£74,255,321 (£90,000,000)	£98,911,775 (£90,000,000)	£123,113,344 (£90,000,000)	£146,723,695 (£90,000,000)
£14,135,867 (£90,000,000)	£40,202,749 (£90,000,000)	£65,802,553 (£90,000,000)	£90,537,150 (£90,000,000)	£114,983,223 (£90,000,000)	£138,692,776 (£90,000,000)
£5,095,696 (£90,000,000)	£31,436,245 (£90,000,000)	£57,232,948 (£90,000,000)	£82,162,525 (£90,000,000)	£106,762,810 (£90,000,000)	£130,661,856 (£90,000,000)
(£4,057,998) (£90,000,000)	£22,650,577 (£90,000,000)	£48,541,896 (£90,000,000)	£73,787,900 (£90,000,000)	£98,442,656 (£90,000,000)	£122,618,493 (£90,000,000)
(£13,266,156) (£90,000,000)	£13,736,921 (£90,000,000)	£39,775,392 (£90,000,000)	£65,349,054 (£90,000,000)	£90,068,031 (£90,000,000)	£114,497,363 (£90,000,000)
(£22,474,313) (£90,000,000)	£4,709,799 (£90,000,000)	£31,008,888 (£90,000,000)	£56,793,355 (£90,000,000)	£81,693,406 (£90,000,000)	£106,284,851 (£90,000,000)
(£31,731,471) (£90,000,000)	(£4,431,583) (£90,000,000)	£22,233,066 (£90,000,000)	£48,113,510 (£90,000,000)	£73,318,782 (£90,000,000)	£97,973,537 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v3

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v3****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v3**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v3**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		20%	228,203,134	
				250,703,574
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			84,464,205	
Construction			44,109,372	
Total Finance Cost				128,573,577
TOTAL COSTS				1,532,824,181
PROFIT				53,818,637

Performance Measures

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v3**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£203,249,970)	(£167,527,904)	(£134,177,200)	(£102,615,555)	(£72,419,453)	(£43,512,585)	(£15,514,450)	£11,706,373	£38,160,212
1,117.87 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	(£215,596,660)	(£179,036,838)	(£145,027,250)	(£112,937,134)	(£82,407,619)	(£53,209,297)	(£24,818,501)	£2,533,421	£29,331,550
1,129.89 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	(£228,334,856)	(£190,868,668)	(£156,096,776)	(£123,489,974)	(£92,587,226)	(£62,910,099)	(£34,250,619)	(£6,674,736)	£20,378,131
1,141.91 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	(£241,210,069)	(£203,044,479)	(£167,495,004)	(£134,283,238)	(£102,832,474)	(£72,694,285)	(£43,822,646)	(£15,882,893)	£11,323,187
1,153.93 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	(£254,085,282)	(£215,311,254)	(£178,985,611)	(£145,125,113)	(£113,122,576)	(£82,653,151)	(£53,513,967)	(£25,168,094)	£2,159,837
1,165.95 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	(£266,960,495)	(£227,928,642)	(£190,708,678)	(£156,126,546)	(£123,629,769)	(£92,804,145)	(£63,214,769)	(£34,582,913)	(£7,048,321)
1,177.97 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	(£279,835,708)	(£240,803,568)	(£202,838,988)	(£167,462,105)	(£134,389,275)	(£103,049,393)	(£72,972,763)	(£44,135,549)	(£16,256,478)
1,189.99 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	(£292,710,921)	(£253,678,782)	(£215,055,693)	(£178,952,711)	(£145,231,151)	(£113,316,396)	(£82,902,018)	(£53,818,637)	(£25,523,163)
1,202.01 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	(£305,586,134)	(£266,553,995)	(£227,555,467)	(£190,577,543)	(£156,170,835)	(£123,778,116)	(£93,021,063)	(£63,519,439)	(£34,917,107)
1,214.03 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	(£318,461,347)	(£279,429,208)	(£240,397,068)	(£202,633,497)	(£167,432,362)	(£134,495,313)	(£103,266,311)	(£73,255,024)	(£44,451,084)
1,226.05 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	(£331,336,561)	(£292,304,421)	(£253,272,281)	(£214,826,034)	(£178,919,812)	(£145,337,188)	(£113,518,328)	(£83,154,888)	(£54,123,308)
1,238.07 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	(£344,211,774)	(£305,179,634)	(£266,147,495)	(£227,221,234)	(£190,474,069)	(£156,230,082)	(£123,935,078)	(£93,245,058)	(£63,824,109)
1,250.09 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	(£357,086,987)	(£318,054,847)	(£279,022,708)	(£239,990,568)	(£202,428,006)	(£167,417,809)	(£134,603,408)	(£103,483,230)	(£73,544,538)
1,262.11 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	(£369,962,200)	(£330,930,060)	(£291,897,921)	(£252,865,781)	(£214,618,883)	(£178,886,912)	(£145,443,225)	(£113,728,478)	(£83,414,556)
1,274.13 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	(£382,837,413)	(£343,805,274)	(£304,773,134)	(£265,740,994)	(£226,920,835)	(£190,396,852)	(£156,305,308)	(£124,100,813)	(£93,472,664)
1,286.15 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v3****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
v3**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£64,001,384 (£105,000,000)	£89,090,533 (£105,000,000)	£113,736,506 (£105,000,000)	£137,856,077 (£105,000,000)	£161,461,477 (£105,000,000)	£184,912,843 (£105,000,000)
£55,265,864 (£105,000,000)	£80,685,908 (£105,000,000)	£105,370,664 (£105,000,000)	£129,741,607 (£105,000,000)	£153,430,557 (£105,000,000)	£176,984,552 (£105,000,000)
£46,499,360 (£105,000,000)	£72,178,249 (£105,000,000)	£96,996,039 (£105,000,000)	£121,545,785 (£105,000,000)	£145,399,638 (£105,000,000)	£168,990,923 (£105,000,000)
£37,732,856 (£105,000,000)	£63,564,991 (£105,000,000)	£88,621,414 (£105,000,000)	£113,264,474 (£105,000,000)	£137,360,059 (£105,000,000)	£160,960,003 (£105,000,000)
£28,920,515 (£105,000,000)	£54,838,507 (£105,000,000)	£80,225,265 (£105,000,000)	£104,901,545 (£105,000,000)	£129,252,894 (£105,000,000)	£152,929,084 (£105,000,000)
£19,980,727 (£105,000,000)	£46,072,003 (£105,000,000)	£71,731,643 (£105,000,000)	£96,526,920 (£105,000,000)	£121,065,313 (£105,000,000)	£144,898,164 (£105,000,000)
£10,937,291 (£105,000,000)	£37,305,499 (£105,000,000)	£63,128,597 (£105,000,000)	£88,152,295 (£105,000,000)	£112,791,178 (£105,000,000)	£136,861,966 (£105,000,000)
£1,786,252 (£105,000,000)	£28,507,758 (£105,000,000)	£54,411,150 (£105,000,000)	£79,764,181 (£105,000,000)	£104,432,426 (£105,000,000)	£128,764,158 (£105,000,000)
£7,421,905 (£105,000,000)	£19,581,782 (£105,000,000)	£45,644,646 (£105,000,000)	£71,281,778 (£105,000,000)	£96,057,801 (£105,000,000)	£120,584,840 (£105,000,000)
£16,630,063 (£105,000,000)	£10,551,394 (£105,000,000)	£36,878,142 (£105,000,000)	£62,692,101 (£105,000,000)	£87,683,176 (£105,000,000)	£112,317,883 (£105,000,000)
£25,878,678 (£105,000,000)	£1,412,668 (£105,000,000)	£28,091,506 (£105,000,000)	£53,983,794 (£105,000,000)	£79,301,252 (£105,000,000)	£103,963,307 (£105,000,000)
£35,255,135 (£105,000,000)	£7,795,490 (£105,000,000)	£19,182,836 (£105,000,000)	£45,217,289 (£105,000,000)	£70,831,913 (£105,000,000)	£95,588,682 (£105,000,000)
£44,768,494 (£105,000,000)	£17,003,647 (£105,000,000)	£10,164,384 (£105,000,000)	£36,450,785 (£105,000,000)	£62,252,508 (£105,000,000)	£87,214,057 (£105,000,000)
£54,427,978 (£105,000,000)	£26,239,201 (£105,000,000)	£1,037,259 (£105,000,000)	£27,673,996 (£105,000,000)	£53,556,437 (£105,000,000)	£78,836,215 (£105,000,000)
£64,128,780 (£105,000,000)	£35,594,542 (£105,000,000)	£8,169,074 (£105,000,000)	£18,780,806 (£105,000,000)	£44,789,933 (£105,000,000)	£70,380,968 (£105,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v4

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v4****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v4**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v4**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		18%	199,677,742	
				222,178,182
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			53,734,149	
Construction			44,109,372	
Total Finance Cost				97,843,521
TOTAL COSTS				1,441,393,733
PROFIT				37,611,810

Performance Measures

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v4**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²							
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£99,055,896)	(£67,593,463)	(£37,498,109)	(£8,509,223)	£19,350,063	£46,619,687	£72,954,483	£98,664,855	£123,703,251
1,117.87 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-6.000%	(£109,894,665)	(£77,838,710)	(£47,282,717)	(£18,044,832)	£10,141,905	£37,640,121	£64,187,979	£90,200,750	£115,329,582
1,129.89 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-5.000%	(£120,792,757)	(£88,187,806)	(£57,254,268)	(£27,721,643)	£902,119	£28,550,832	£55,421,475	£81,617,967	£106,954,957
1,141.91 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-4.000%	(£132,004,053)	(£98,794,115)	(£67,430,047)	(£37,422,445)	(£8,466,917)	£19,356,812	£46,592,055	£72,907,461	£98,580,153
1,153.93 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-3.000%	(£143,484,386)	(£109,620,368)	(£77,675,295)	(£47,179,600)	(£17,980,554)	£10,148,655	£37,625,966	£64,140,957	£90,129,864
1,165.95 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-2.000%	(£155,055,064)	(£120,484,547)	(£87,985,565)	(£57,119,549)	(£27,645,979)	£921,012	£28,549,475	£55,374,453	£81,558,708
1,177.97 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-1.000%	(£167,058,470)	(£131,619,351)	(£98,541,792)	(£67,266,631)	(£37,346,781)	(£8,427,135)	£19,363,562	£46,563,275	£72,860,438
1,189.99 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
0.000%	(£179,250,820)	(£143,071,152)	(£109,346,071)	(£77,511,879)	(£47,081,526)	(£17,921,311)	£10,155,405	£37,611,810	£64,093,934
1,202.01 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+1.000%	(£191,652,442)	(£154,589,415)	(£120,191,960)	(£87,792,321)	(£56,991,024)	(£27,570,314)	£937,698	£28,548,119	£55,327,430
1,214.03 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+2.000%	(£204,438,780)	(£166,474,866)	(£131,250,980)	(£98,299,061)	(£67,103,215)	(£37,271,116)	(£8,390,565)	£19,370,312	£46,530,852
1,226.05 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+3.000%	(£217,313,994)	(£178,663,521)	(£142,657,918)	(£109,071,774)	(£77,348,463)	(£46,990,209)	(£17,862,705)	£10,162,155	£37,595,678
1,238.07 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+4.000%	(£230,189,207)	(£190,969,129)	(£154,151,181)	(£119,913,649)	(£87,608,209)	(£56,866,793)	(£27,494,650)	£950,568	£28,545,724
1,250.09 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+5.000%	(£243,064,420)	(£203,651,946)	(£165,917,638)	(£130,900,525)	(£98,065,631)	(£66,946,681)	(£37,195,452)	(£8,356,621)	£19,377,062
1,262.11 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+6.000%	(£255,939,633)	(£216,527,159)	(£178,077,696)	(£142,244,684)	(£108,797,477)	(£77,185,047)	(£46,903,167)	(£17,809,020)	£10,168,905
1,274.13 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+7.000%	(£268,814,846)	(£229,402,372)	(£190,317,924)	(£153,735,290)	(£119,639,352)	(£87,433,023)	(£56,747,159)	(£27,418,986)	£960,747
1,286.15 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)

Sensitivity Analysis : Assumptions for Calculation

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**Eastleigh BC - Strategic Growth Option
v4****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
v4**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£148,213,148 (£75,000,000)	£172,190,597 (£75,000,000)	£195,925,058 (£75,000,000)	£219,147,386 (£75,000,000)	£242,060,852 (£75,000,000)	£264,480,580 (£75,000,000)
£140,107,612 (£75,000,000)	£164,159,677 (£75,000,000)	£188,039,644 (£75,000,000)	£211,413,272 (£75,000,000)	£234,420,709 (£75,000,000)	£256,998,055 (£75,000,000)
£131,909,650 (£75,000,000)	£156,128,757 (£75,000,000)	£180,088,865 (£75,000,000)	£203,635,438 (£75,000,000)	£226,731,513 (£75,000,000)	£249,477,805 (£75,000,000)
£123,612,444 (£75,000,000)	£148,095,390 (£75,000,000)	£172,069,457 (£75,000,000)	£195,793,803 (£75,000,000)	£219,001,197 (£75,000,000)	£241,902,981 (£75,000,000)
£115,240,797 (£75,000,000)	£139,999,211 (£75,000,000)	£164,038,538 (£75,000,000)	£187,910,420 (£75,000,000)	£211,267,769 (£75,000,000)	£234,269,348 (£75,000,000)
£106,866,173 (£75,000,000)	£131,811,219 (£75,000,000)	£156,007,618 (£75,000,000)	£179,964,897 (£75,000,000)	£203,497,319 (£75,000,000)	£226,583,748 (£75,000,000)
£98,491,548 (£75,000,000)	£123,521,636 (£75,000,000)	£147,976,698 (£75,000,000)	£171,948,318 (£75,000,000)	£195,662,548 (£75,000,000)	£218,855,008 (£75,000,000)
£90,056,699 (£75,000,000)	£115,152,013 (£75,000,000)	£139,890,810 (£75,000,000)	£163,917,399 (£75,000,000)	£187,781,196 (£75,000,000)	£211,121,579 (£75,000,000)
£81,499,449 (£75,000,000)	£106,777,388 (£75,000,000)	£131,711,081 (£75,000,000)	£155,886,479 (£75,000,000)	£179,840,928 (£75,000,000)	£203,359,200 (£75,000,000)
£72,813,416 (£75,000,000)	£98,402,764 (£75,000,000)	£123,430,829 (£75,000,000)	£147,855,559 (£75,000,000)	£171,827,179 (£75,000,000)	£195,530,808 (£75,000,000)
£64,046,912 (£75,000,000)	£89,982,938 (£75,000,000)	£115,063,229 (£75,000,000)	£139,780,909 (£75,000,000)	£163,796,260 (£75,000,000)	£187,651,971 (£75,000,000)
£55,280,408 (£75,000,000)	£81,438,367 (£75,000,000)	£106,688,604 (£75,000,000)	£131,610,943 (£75,000,000)	£155,765,340 (£75,000,000)	£179,716,960 (£75,000,000)
£46,495,707 (£75,000,000)	£72,764,806 (£75,000,000)	£98,313,979 (£75,000,000)	£123,339,228 (£75,000,000)	£147,734,420 (£75,000,000)	£171,706,040 (£75,000,000)
£37,577,067 (£75,000,000)	£63,999,890 (£75,000,000)	£89,906,015 (£75,000,000)	£114,974,444 (£75,000,000)	£139,669,495 (£75,000,000)	£163,675,120 (£75,000,000)
£28,540,162 (£75,000,000)	£55,233,386 (£75,000,000)	£81,375,788 (£75,000,000)	£106,599,819 (£75,000,000)	£131,510,550 (£75,000,000)	£155,644,201 (£75,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v5

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v5****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v5**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v5**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491

PROFESSIONAL FEES

Professional Fees		10%	72,906,569	
				72,906,569

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	34,230,470	
Sales Legal Fee	5,200.00 un		750 /un	3,900,000	
					38,130,470

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	18,431,300	
Market Profit			18%	199,677,742	
					222,178,182

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				68,461,437	
Construction				44,109,372	
Total Finance Cost					112,570,808

TOTAL COSTS**1,472,208,521****PROFIT****6,797,023****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
v5**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£136,845,766) (£90,000,000)	(£103,303,135) (£90,000,000)	(£71,602,482) (£90,000,000)	(£41,237,824) (£90,000,000)	(£12,093,197) (£90,000,000)	£15,992,906 (£90,000,000)	£43,469,067 (£90,000,000)	£70,010,211 (£90,000,000)	£96,059,092 (£90,000,000)
-6.000% 1,129.89 /m ²	(£148,337,045) (£90,000,000)	(£114,145,011) (£90,000,000)	(£81,864,249) (£90,000,000)	(£51,125,047) (£90,000,000)	(£21,732,708) (£90,000,000)	£6,770,316 (£90,000,000)	£34,391,298 (£90,000,000)	£61,243,707 (£90,000,000)	£87,453,091 (£90,000,000)
-5.000% 1,141.91 /m ²	(£160,077,920) (£90,000,000)	(£125,117,901) (£90,000,000)	(£92,316,312) (£90,000,000)	(£61,203,038) (£90,000,000)	(£31,433,509) (£90,000,000)	(£2,565,378) (£90,000,000)	£25,207,813 (£90,000,000)	£52,414,666 (£90,000,000)	£78,729,693 (£90,000,000)
-4.000% 1,153.93 /m ²	(£172,222,695) (£90,000,000)	(£136,432,532) (£90,000,000)	(£103,028,838) (£90,000,000)	(£71,439,066) (£90,000,000)	(£41,147,142) (£90,000,000)	(£12,036,370) (£90,000,000)	£15,999,655 (£90,000,000)	£43,454,912 (£90,000,000)	£69,963,188 (£90,000,000)
-3.000% 1,165.95 /m ²	(£184,461,429) (£90,000,000)	(£147,923,139) (£90,000,000)	(£113,870,714) (£90,000,000)	(£81,688,362) (£90,000,000)	(£51,004,906) (£90,000,000)	(£21,657,043) (£90,000,000)	£6,784,152 (£90,000,000)	£34,389,942 (£90,000,000)	£61,196,684 (£90,000,000)
-2.000% 1,177.97 /m ²	(£197,025,574) (£90,000,000)	(£159,560,493) (£90,000,000)	(£124,788,713) (£90,000,000)	(£92,094,487) (£90,000,000)	(£61,052,597) (£90,000,000)	(£31,357,845) (£90,000,000)	(£2,530,403) (£90,000,000)	£25,214,563 (£90,000,000)	£52,384,925 (£90,000,000)
-1.000% 1,189.99 /m ²	(£209,892,899) (£90,000,000)	(£171,636,870) (£90,000,000)	(£136,025,406) (£90,000,000)	(£102,757,123) (£90,000,000)	(£71,275,650) (£90,000,000)	(£41,063,159) (£90,000,000)	(£11,982,685) (£90,000,000)	£16,006,405 (£90,000,000)	£43,440,539 (£90,000,000)
0.000% 1,202.01 /m ²	(£222,768,113) (£90,000,000)	(£183,837,888) (£90,000,000)	(£147,509,905) (£90,000,000)	(£113,596,417) (£90,000,000)	(£81,520,898) (£90,000,000)	(£50,890,939) (£90,000,000)	(£21,581,628) (£90,000,000)	£6,797,023 (£90,000,000)	£34,387,319 (£90,000,000)
+1.000% 1,214.03 /m ²	(£235,643,326) (£90,000,000)	(£196,288,823) (£90,000,000)	(£159,071,629) (£90,000,000)	(£124,474,075) (£90,000,000)	(£91,881,613) (£90,000,000)	(£60,906,036) (£90,000,000)	(£31,282,181) (£90,000,000)	(£2,499,662) (£90,000,000)	£25,221,313 (£90,000,000)
+2.000% 1,226.05 /m ²	(£248,518,539) (£90,000,000)	(£209,106,065) (£90,000,000)	(£171,051,044) (£90,000,000)	(£135,635,345) (£90,000,000)	(£102,494,610) (£90,000,000)	(£71,112,234) (£90,000,000)	(£40,982,983) (£90,000,000)	(£11,930,813) (£90,000,000)	£16,013,155 (£90,000,000)
+3.000% 1,238.07 /m ²	(£261,393,752) (£90,000,000)	(£221,981,278) (£90,000,000)	(£183,241,921) (£90,000,000)	(£147,096,671) (£90,000,000)	(£113,322,120) (£90,000,000)	(£81,357,482) (£90,000,000)	(£50,780,743) (£90,000,000)	(£21,511,355) (£90,000,000)	£6,804,998 (£90,000,000)
+4.000% 1,250.09 /m ²	(£274,268,965) (£90,000,000)	(£234,856,491) (£90,000,000)	(£195,589,506) (£90,000,000)	(£158,609,897) (£90,000,000)	(£124,173,804) (£90,000,000)	(£91,677,439) (£90,000,000)	(£60,764,129) (£90,000,000)	(£31,206,517) (£90,000,000)	(£2,470,229) (£90,000,000)
+5.000% 1,262.11 /m ²	(£287,144,178) (£90,000,000)	(£247,731,704) (£90,000,000)	(£208,319,230) (£90,000,000)	(£170,471,363) (£90,000,000)	(£135,262,612) (£90,000,000)	(£102,241,345) (£90,000,000)	(£70,948,819) (£90,000,000)	(£40,907,319) (£90,000,000)	(£11,882,773) (£90,000,000)
+6.000% 1,274.13 /m ²	(£300,019,391) (£90,000,000)	(£260,606,917) (£90,000,000)	(£221,194,443) (£90,000,000)	(£182,656,095) (£90,000,000)	(£146,683,437) (£90,000,000)	(£113,047,822) (£90,000,000)	(£81,194,067) (£90,000,000)	(£50,675,240) (£90,000,000)	(£21,441,081) (£90,000,000)
+7.000% 1,286.15 /m ²	(£312,894,604) (£90,000,000)	(£273,482,130) (£90,000,000)	(£234,069,656) (£90,000,000)	(£194,924,227) (£90,000,000)	(£158,175,165) (£90,000,000)	(£123,889,698) (£90,000,000)	(£91,482,054) (£90,000,000)	(£60,628,935) (£90,000,000)	(£31,130,852) (£90,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v5****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v5**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£121,230,568 (£90,000,000)	£146,101,560 (£90,000,000)	£170,243,926 (£90,000,000)	£194,193,534 (£90,000,000)	£217,729,162 (£90,000,000)	£240,818,963 (£90,000,000)
£112,855,943 (£90,000,000)	£137,856,193 (£90,000,000)	£162,213,006 (£90,000,000)	£186,184,626 (£90,000,000)	£209,887,322 (£90,000,000)	£233,102,346 (£90,000,000)
£104,470,518 (£90,000,000)	£129,516,408 (£90,000,000)	£154,147,413 (£90,000,000)	£178,153,707 (£90,000,000)	£202,005,498 (£90,000,000)	£225,367,781 (£90,000,000)
£95,989,561 (£90,000,000)	£121,141,783 (£90,000,000)	£145,998,774 (£90,000,000)	£170,122,787 (£90,000,000)	£194,069,565 (£90,000,000)	£217,591,043 (£90,000,000)
£87,397,032 (£90,000,000)	£112,767,158 (£90,000,000)	£137,760,947 (£90,000,000)	£162,091,867 (£90,000,000)	£186,063,487 (£90,000,000)	£209,756,067 (£90,000,000)
£78,682,670 (£90,000,000)	£104,386,753 (£90,000,000)	£129,427,623 (£90,000,000)	£154,035,259 (£90,000,000)	£178,032,568 (£90,000,000)	£201,876,274 (£90,000,000)
£69,916,166 (£90,000,000)	£95,920,031 (£90,000,000)	£121,052,999 (£90,000,000)	£145,895,988 (£90,000,000)	£170,001,648 (£90,000,000)	£193,945,597 (£90,000,000)
£61,149,662 (£90,000,000)	£87,338,937 (£90,000,000)	£112,678,374 (£90,000,000)	£137,665,702 (£90,000,000)	£161,970,728 (£90,000,000)	£185,942,348 (£90,000,000)
£52,352,502 (£90,000,000)	£78,635,648 (£90,000,000)	£104,302,050 (£90,000,000)	£129,338,839 (£90,000,000)	£153,920,743 (£90,000,000)	£177,911,428 (£90,000,000)
£43,421,928 (£90,000,000)	£69,869,144 (£90,000,000)	£95,849,283 (£90,000,000)	£120,964,214 (£90,000,000)	£145,790,621 (£90,000,000)	£169,880,509 (£90,000,000)
£34,381,757 (£90,000,000)	£61,102,640 (£90,000,000)	£87,279,678 (£90,000,000)	£112,589,589 (£90,000,000)	£137,570,209 (£90,000,000)	£161,849,589 (£90,000,000)
£25,228,062 (£90,000,000)	£52,316,972 (£90,000,000)	£78,588,626 (£90,000,000)	£104,214,965 (£90,000,000)	£129,250,054 (£90,000,000)	£153,806,226 (£90,000,000)
£16,019,905 (£90,000,000)	£43,403,317 (£90,000,000)	£69,822,122 (£90,000,000)	£95,776,118 (£90,000,000)	£120,875,430 (£90,000,000)	£145,685,096 (£90,000,000)
£6,811,748 (£90,000,000)	£34,376,195 (£90,000,000)	£61,055,618 (£90,000,000)	£87,220,419 (£90,000,000)	£112,500,805 (£90,000,000)	£137,472,584 (£90,000,000)
£2,445,410 (£90,000,000)	£25,234,812 (£90,000,000)	£52,279,796 (£90,000,000)	£78,540,574 (£90,000,000)	£104,126,180 (£90,000,000)	£129,161,270 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v6

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v6****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v6**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v6**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491

PROFESSIONAL FEES

Professional Fees		10%	72,906,569	
				72,906,569

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	34,230,470	
Sales Legal Fee	5,200.00 un		750 /un	3,900,000	
					38,130,470

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	18,431,300	
Market Profit			18%	199,677,742	
					222,178,182

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				84,464,205	
Construction				44,109,372	
Total Finance Cost					128,573,577

TOTAL COSTS**1,504,298,789****PROFIT****25,293,246****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
v6**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£177,386,919)	(£141,284,519)	(£107,553,481)	(£75,611,502)	(£45,035,065)	(£15,747,862)	£12,630,607	£40,231,765	£67,065,939
1,117.87 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	(£189,733,610)	(£152,793,453)	(£118,403,531)	(£85,933,081)	(£55,023,231)	(£25,444,574)	£3,326,556	£31,058,813	£58,237,277
1,129.89 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	(£202,471,805)	(£164,625,283)	(£129,473,056)	(£96,485,920)	(£65,202,838)	(£35,145,376)	(£6,105,561)	£21,850,656	£49,283,858
1,141.91 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	(£215,347,018)	(£176,801,094)	(£140,871,285)	(£107,279,184)	(£75,448,086)	(£44,929,562)	(£15,677,589)	£12,642,498	£40,228,914
1,153.93 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	(£228,222,232)	(£189,067,869)	(£152,361,891)	(£118,121,059)	(£85,738,188)	(£54,888,428)	(£25,368,910)	£3,357,298	£31,065,563
1,165.95 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	(£241,097,445)	(£201,685,257)	(£164,084,959)	(£129,122,492)	(£96,245,381)	(£65,039,422)	(£35,069,712)	(£6,057,521)	£21,857,406
1,177.97 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	(£253,972,658)	(£214,560,184)	(£176,215,269)	(£140,458,051)	(£107,004,887)	(£75,284,670)	(£44,827,706)	(£15,610,158)	£12,649,248
1,189.99 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	(£266,847,871)	(£227,435,397)	(£188,431,974)	(£151,948,657)	(£117,846,762)	(£85,551,673)	(£54,756,960)	(£25,293,246)	£3,382,563
1,202.01 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	(£279,723,084)	(£240,310,610)	(£200,931,748)	(£163,573,489)	(£128,786,447)	(£96,013,393)	(£64,876,006)	(£34,994,047)	(£6,011,381)
1,214.03 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	(£292,598,297)	(£253,185,823)	(£213,773,349)	(£175,629,443)	(£140,047,974)	(£106,730,590)	(£75,121,254)	(£44,729,632)	(£15,545,358)
1,226.05 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	(£305,473,510)	(£266,061,036)	(£226,648,562)	(£187,821,980)	(£151,535,423)	(£117,572,465)	(£85,373,271)	(£54,629,496)	(£25,217,581)
1,238.07 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	(£318,348,723)	(£278,936,249)	(£239,523,775)	(£200,217,181)	(£163,089,681)	(£128,465,359)	(£95,790,021)	(£64,719,666)	(£34,918,383)
1,250.09 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	(£331,223,937)	(£291,811,463)	(£252,398,988)	(£212,986,514)	(£175,043,618)	(£139,653,086)	(£106,458,351)	(£74,957,838)	(£44,638,812)
1,262.11 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	(£344,099,150)	(£304,686,676)	(£265,274,202)	(£225,861,727)	(£187,234,495)	(£151,122,189)	(£117,298,168)	(£85,203,086)	(£54,508,830)
1,274.13 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	(£356,974,363)	(£317,561,889)	(£278,149,415)	(£238,736,941)	(£199,536,446)	(£162,632,129)	(£128,160,251)	(£95,575,421)	(£64,566,938)
1,286.15 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v6****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v6**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£93,287,445 (£105,000,000)	£118,756,928 (£105,000,000)	£143,783,235 (£105,000,000)	£168,283,141 (£105,000,000)	£192,268,876 (£105,000,000)	£216,100,576 (£105,000,000)
£84,551,924 (£105,000,000)	£110,352,304 (£105,000,000)	£135,417,394 (£105,000,000)	£160,168,671 (£105,000,000)	£184,237,956 (£105,000,000)	£208,172,286 (£105,000,000)
£75,785,420 (£105,000,000)	£101,844,644 (£105,000,000)	£127,042,769 (£105,000,000)	£151,972,850 (£105,000,000)	£176,207,036 (£105,000,000)	£200,178,656 (£105,000,000)
£67,018,916 (£105,000,000)	£93,231,386 (£105,000,000)	£118,668,144 (£105,000,000)	£143,691,538 (£105,000,000)	£168,167,457 (£105,000,000)	£192,147,737 (£105,000,000)
£58,206,576 (£105,000,000)	£84,504,902 (£105,000,000)	£110,271,995 (£105,000,000)	£135,328,609 (£105,000,000)	£160,060,293 (£105,000,000)	£184,116,817 (£105,000,000)
£49,266,788 (£105,000,000)	£75,738,398 (£105,000,000)	£101,778,373 (£105,000,000)	£126,953,984 (£105,000,000)	£151,872,711 (£105,000,000)	£176,085,897 (£105,000,000)
£40,223,352 (£105,000,000)	£66,971,894 (£105,000,000)	£93,175,327 (£105,000,000)	£118,579,360 (£105,000,000)	£143,598,577 (£105,000,000)	£168,049,699 (£105,000,000)
£31,072,313 (£105,000,000)	£58,174,153 (£105,000,000)	£84,457,880 (£105,000,000)	£110,191,246 (£105,000,000)	£135,239,825 (£105,000,000)	£159,951,892 (£105,000,000)
£21,864,156 (£105,000,000)	£49,248,177 (£105,000,000)	£75,691,376 (£105,000,000)	£101,708,842 (£105,000,000)	£126,865,200 (£105,000,000)	£151,772,573 (£105,000,000)
£12,655,998 (£105,000,000)	£40,217,790 (£105,000,000)	£66,924,872 (£105,000,000)	£93,119,165 (£105,000,000)	£118,490,575 (£105,000,000)	£143,505,616 (£105,000,000)
£3,407,382 (£105,000,000)	£31,079,063 (£105,000,000)	£58,138,236 (£105,000,000)	£84,410,858 (£105,000,000)	£110,108,651 (£105,000,000)	£135,151,040 (£105,000,000)
(£5,969,074) (£105,000,000)	£21,870,905 (£105,000,000)	£49,229,566 (£105,000,000)	£75,644,354 (£105,000,000)	£101,639,312 (£105,000,000)	£126,776,415 (£105,000,000)
(£15,482,434) (£105,000,000)	£12,662,748 (£105,000,000)	£40,211,113 (£105,000,000)	£66,877,850 (£105,000,000)	£93,059,907 (£105,000,000)	£118,401,791 (£105,000,000)
(£25,141,917) (£105,000,000)	£3,427,194 (£105,000,000)	£31,083,989 (£105,000,000)	£58,101,060 (£105,000,000)	£84,363,836 (£105,000,000)	£110,023,948 (£105,000,000)
(£34,842,719) (£105,000,000)	(£5,928,147) (£105,000,000)	£21,877,655 (£105,000,000)	£49,207,871 (£105,000,000)	£75,597,332 (£105,000,000)	£101,568,702 (£105,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v7

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v7****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v7**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v7**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		15%	171,152,351	
				193,652,790
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			53,734,149	
Construction			44,109,372	
Total Finance Cost				97,843,521
TOTAL COSTS				1,412,868,342
PROFIT				66,137,202

Performance Measures**This appraisal report does not constitute a formal valuation.**

Eastleigh BC - Strategic Growth Option

v7

Table of Profit Amount and Land Cost

		Sales: Rate /m ²								
Construction: Rate /m ²		-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	1,117.87 /m ²	(£73,192,845)	(£41,350,078)	(£10,874,390)	£18,494,831	£46,734,451	£74,384,409	£101,099,540	£127,190,247	£152,608,978
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-6.000%	1,129.89 /m ²	(£84,031,615)	(£51,595,326)	(£20,658,998)	£8,959,222	£37,526,293	£65,404,844	£92,333,036	£118,726,141	£144,235,308
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-5.000%	1,141.91 /m ²	(£94,929,706)	(£61,944,421)	(£30,630,548)	(£717,589)	£28,286,507	£56,315,554	£83,566,532	£110,143,358	£135,860,683
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-4.000%	1,153.93 /m ²	(£106,141,003)	(£72,550,731)	(£40,806,327)	(£10,418,391)	£18,917,471	£47,121,535	£74,737,113	£101,432,852	£127,485,879
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-3.000%	1,165.95 /m ²	(£117,621,336)	(£83,376,983)	(£51,051,575)	(£20,175,546)	£9,403,834	£37,913,378	£65,771,023	£92,666,348	£119,035,590
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-2.000%	1,177.97 /m ²	(£129,192,014)	(£94,241,162)	(£61,361,846)	(£30,115,495)	(£261,590)	£28,685,735	£56,694,533	£83,899,844	£110,464,434
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-1.000%	1,189.99 /m ²	(£141,195,420)	(£105,375,967)	(£71,918,073)	(£40,262,577)	(£9,962,392)	£19,337,588	£47,508,620	£75,088,666	£101,766,165
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
0.000%	1,202.01 /m ²	(£153,387,770)	(£116,827,767)	(£82,722,352)	(£50,507,825)	(£19,697,137)	£9,843,412	£38,300,462	£66,137,202	£92,999,661
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+1.000%	1,214.03 /m ²	(£165,789,392)	(£128,346,030)	(£93,568,241)	(£60,788,267)	(£29,606,636)	£194,408	£29,082,755	£57,073,511	£84,233,157
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+2.000%	1,226.05 /m ²	(£178,575,730)	(£140,231,481)	(£104,627,260)	(£71,295,008)	(£39,718,827)	(£9,506,394)	£19,754,492	£47,895,704	£75,436,578
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+3.000%	1,238.07 /m ²	(£191,450,943)	(£152,420,137)	(£116,034,199)	(£82,067,720)	(£49,964,075)	(£19,225,486)	£10,282,352	£38,687,547	£66,501,405
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+4.000%	1,250.09 /m ²	(£204,326,156)	(£164,725,744)	(£127,527,461)	(£92,909,596)	(£60,223,821)	(£29,102,070)	£650,407	£29,475,960	£57,451,450
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+5.000%	1,262.11 /m ²	(£217,201,370)	(£177,408,561)	(£139,293,919)	(£103,896,471)	(£70,681,243)	(£39,181,959)	(£9,050,395)	£20,168,771	£48,282,788
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+6.000%	1,274.13 /m ²	(£230,076,583)	(£190,283,774)	(£151,453,977)	(£115,240,630)	(£81,413,088)	(£49,420,324)	(£18,758,109)	£10,716,372	£39,074,631
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+7.000%	1,286.15 /m ²	(£242,951,796)	(£203,158,987)	(£163,694,205)	(£126,731,237)	(£92,254,964)	(£59,668,300)	(£28,602,102)	£1,106,406	£29,866,474
		(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v7****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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Eastleigh BC - Strategic Growth Option

v7

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£177,499,209 (£75,000,000)	£201,856,992 (£75,000,000)	£225,971,788 (£75,000,000)	£249,574,450 (£75,000,000)	£272,868,251 (£75,000,000)	£295,668,314 (£75,000,000)
£169,393,673 (£75,000,000)	£193,826,072 (£75,000,000)	£218,086,374 (£75,000,000)	£241,840,337 (£75,000,000)	£265,228,108 (£75,000,000)	£288,185,788 (£75,000,000)
£161,195,711 (£75,000,000)	£185,795,152 (£75,000,000)	£210,135,595 (£75,000,000)	£234,062,502 (£75,000,000)	£257,538,912 (£75,000,000)	£280,665,539 (£75,000,000)
£152,898,505 (£75,000,000)	£177,761,786 (£75,000,000)	£202,116,187 (£75,000,000)	£226,220,867 (£75,000,000)	£249,808,596 (£75,000,000)	£273,090,715 (£75,000,000)
£144,526,858 (£75,000,000)	£169,665,607 (£75,000,000)	£194,085,268 (£75,000,000)	£218,337,484 (£75,000,000)	£242,075,167 (£75,000,000)	£265,457,081 (£75,000,000)
£136,152,233 (£75,000,000)	£161,477,614 (£75,000,000)	£186,054,348 (£75,000,000)	£210,391,961 (£75,000,000)	£234,304,718 (£75,000,000)	£257,771,482 (£75,000,000)
£127,777,609 (£75,000,000)	£153,188,032 (£75,000,000)	£178,023,428 (£75,000,000)	£202,375,383 (£75,000,000)	£226,469,946 (£75,000,000)	£250,042,741 (£75,000,000)
£119,342,760 (£75,000,000)	£144,818,408 (£75,000,000)	£169,937,540 (£75,000,000)	£194,344,463 (£75,000,000)	£218,588,594 (£75,000,000)	£242,309,313 (£75,000,000)
£110,785,510 (£75,000,000)	£136,443,784 (£75,000,000)	£161,757,811 (£75,000,000)	£186,313,543 (£75,000,000)	£210,648,327 (£75,000,000)	£234,546,933 (£75,000,000)
£102,099,477 (£75,000,000)	£128,069,159 (£75,000,000)	£153,477,559 (£75,000,000)	£178,282,623 (£75,000,000)	£202,634,578 (£75,000,000)	£226,718,542 (£75,000,000)
£93,332,973 (£75,000,000)	£119,649,334 (£75,000,000)	£145,109,958 (£75,000,000)	£170,207,973 (£75,000,000)	£194,603,658 (£75,000,000)	£218,839,705 (£75,000,000)
£84,566,469 (£75,000,000)	£111,104,762 (£75,000,000)	£136,735,334 (£75,000,000)	£162,038,007 (£75,000,000)	£186,572,739 (£75,000,000)	£210,904,693 (£75,000,000)
£75,781,768 (£75,000,000)	£102,431,201 (£75,000,000)	£128,360,709 (£75,000,000)	£153,766,292 (£75,000,000)	£178,541,819 (£75,000,000)	£202,893,773 (£75,000,000)
£66,863,128 (£75,000,000)	£93,666,285 (£75,000,000)	£119,952,745 (£75,000,000)	£145,401,508 (£75,000,000)	£170,476,894 (£75,000,000)	£194,862,854 (£75,000,000)
£57,826,223 (£75,000,000)	£84,899,781 (£75,000,000)	£111,422,518 (£75,000,000)	£137,026,884 (£75,000,000)	£162,317,949 (£75,000,000)	£186,831,934 (£75,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v8

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v8****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v8**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v8**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		15%	171,152,351	
				193,652,790
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			68,461,437	
Construction			44,109,372	
Total Finance Cost				112,570,808
TOTAL COSTS				1,443,683,129
PROFIT				35,322,415

Performance Measures**This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
v8**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£110,982,716) (£90,000,000)	(£77,059,751) (£90,000,000)	(£44,978,763) (£90,000,000)	(£14,233,770) (£90,000,000)	£15,291,191 (£90,000,000)	£43,757,628 (£90,000,000)	£71,614,124 (£90,000,000)	£98,535,602 (£90,000,000)	£124,964,818 (£90,000,000)
-6.000% 1,129.89 /m ²	(£122,473,994) (£90,000,000)	(£87,901,626) (£90,000,000)	(£55,240,530) (£90,000,000)	(£24,120,993) (£90,000,000)	£5,651,681 (£90,000,000)	£34,535,039 (£90,000,000)	£62,536,355 (£90,000,000)	£89,769,098 (£90,000,000)	£116,358,817 (£90,000,000)
-5.000% 1,141.91 /m ²	(£134,214,870) (£90,000,000)	(£98,874,516) (£90,000,000)	(£65,692,592) (£90,000,000)	(£34,198,984) (£90,000,000)	(£4,049,121) (£90,000,000)	£25,199,344 (£90,000,000)	£53,352,870 (£90,000,000)	£80,940,058 (£90,000,000)	£107,635,419 (£90,000,000)
-4.000% 1,153.93 /m ²	(£146,359,645) (£90,000,000)	(£110,189,148) (£90,000,000)	(£76,405,119) (£90,000,000)	(£44,435,012) (£90,000,000)	(£13,762,754) (£90,000,000)	£15,728,352 (£90,000,000)	£44,144,713 (£90,000,000)	£71,980,303 (£90,000,000)	£98,868,915 (£90,000,000)
-3.000% 1,165.95 /m ²	(£158,598,379) (£90,000,000)	(£121,679,754) (£90,000,000)	(£87,246,994) (£90,000,000)	(£54,684,308) (£90,000,000)	(£23,620,518) (£90,000,000)	£6,107,679 (£90,000,000)	£34,929,210 (£90,000,000)	£62,915,334 (£90,000,000)	£90,102,411 (£90,000,000)
-2.000% 1,177.97 /m ²	(£171,162,523) (£90,000,000)	(£133,317,108) (£90,000,000)	(£98,164,994) (£90,000,000)	(£65,090,433) (£90,000,000)	(£33,668,208) (£90,000,000)	(£3,593,122) (£90,000,000)	£25,614,654 (£90,000,000)	£53,739,954 (£90,000,000)	£81,290,652 (£90,000,000)
-1.000% 1,189.99 /m ²	(£184,029,849) (£90,000,000)	(£145,393,485) (£90,000,000)	(£109,401,687) (£90,000,000)	(£75,753,070) (£90,000,000)	(£43,891,262) (£90,000,000)	(£13,298,437) (£90,000,000)	£16,162,372 (£90,000,000)	£44,531,797 (£90,000,000)	£72,346,265 (£90,000,000)
0.000% 1,202.01 /m ²	(£196,905,062) (£90,000,000)	(£157,594,504) (£90,000,000)	(£120,886,185) (£90,000,000)	(£86,592,363) (£90,000,000)	(£54,136,510) (£90,000,000)	(£23,126,217) (£90,000,000)	£6,563,429 (£90,000,000)	£35,322,415 (£90,000,000)	£63,293,045 (£90,000,000)
+1.000% 1,214.03 /m ²	(£209,780,275) (£90,000,000)	(£170,045,438) (£90,000,000)	(£132,447,910) (£90,000,000)	(£97,470,021) (£90,000,000)	(£64,497,225) (£90,000,000)	(£33,141,313) (£90,000,000)	(£3,137,124) (£90,000,000)	£26,025,730 (£90,000,000)	£54,127,039 (£90,000,000)
+2.000% 1,226.05 /m ²	(£222,655,489) (£90,000,000)	(£182,862,680) (£90,000,000)	(£144,427,325) (£90,000,000)	(£108,631,291) (£90,000,000)	(£75,110,222) (£90,000,000)	(£43,347,512) (£90,000,000)	(£12,837,925) (£90,000,000)	£16,594,579 (£90,000,000)	£44,918,881 (£90,000,000)
+3.000% 1,238.07 /m ²	(£235,530,702) (£90,000,000)	(£195,737,893) (£90,000,000)	(£156,618,201) (£90,000,000)	(£120,092,617) (£90,000,000)	(£85,937,731) (£90,000,000)	(£53,592,760) (£90,000,000)	(£22,635,686) (£90,000,000)	£7,014,037 (£90,000,000)	£35,710,724 (£90,000,000)
+4.000% 1,250.09 /m ²	(£248,405,915) (£90,000,000)	(£208,613,106) (£90,000,000)	(£168,965,787) (£90,000,000)	(£131,605,843) (£90,000,000)	(£96,789,415) (£90,000,000)	(£63,912,716) (£90,000,000)	(£32,619,071) (£90,000,000)	(£2,681,125) (£90,000,000)	£26,435,497 (£90,000,000)
+5.000% 1,262.11 /m ²	(£261,281,128) (£90,000,000)	(£221,488,319) (£90,000,000)	(£181,695,511) (£90,000,000)	(£143,467,309) (£90,000,000)	(£107,878,223) (£90,000,000)	(£74,476,622) (£90,000,000)	(£42,803,761) (£90,000,000)	(£12,381,927) (£90,000,000)	£17,022,953 (£90,000,000)
+6.000% 1,274.13 /m ²	(£274,156,341) (£90,000,000)	(£234,363,532) (£90,000,000)	(£194,570,724) (£90,000,000)	(£155,652,042) (£90,000,000)	(£119,299,049) (£90,000,000)	(£85,283,100) (£90,000,000)	(£53,049,009) (£90,000,000)	(£22,149,849) (£90,000,000)	£7,464,645 (£90,000,000)
+7.000% 1,286.15 /m ²	(£287,031,554) (£90,000,000)	(£247,238,746) (£90,000,000)	(£207,445,937) (£90,000,000)	(£167,920,173) (£90,000,000)	(£130,790,777) (£90,000,000)	(£96,124,975) (£90,000,000)	(£63,336,997) (£90,000,000)	(£32,103,543) (£90,000,000)	(£2,225,126) (£90,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v8****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
v8**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£150,516,628 (£90,000,000)	£175,767,955 (£90,000,000)	£200,290,656 (£90,000,000)	£224,620,598 (£90,000,000)	£248,536,561 (£90,000,000)	£272,006,697 (£90,000,000)
£142,142,004 (£90,000,000)	£167,522,588 (£90,000,000)	£192,259,736 (£90,000,000)	£216,611,691 (£90,000,000)	£240,694,720 (£90,000,000)	£264,290,080 (£90,000,000)
£133,756,579 (£90,000,000)	£159,182,803 (£90,000,000)	£184,194,143 (£90,000,000)	£208,580,771 (£90,000,000)	£232,812,897 (£90,000,000)	£256,555,515 (£90,000,000)
£125,275,622 (£90,000,000)	£150,808,178 (£90,000,000)	£176,045,504 (£90,000,000)	£200,549,851 (£90,000,000)	£224,876,964 (£90,000,000)	£248,778,776 (£90,000,000)
£116,683,092 (£90,000,000)	£142,433,554 (£90,000,000)	£167,807,677 (£90,000,000)	£192,518,932 (£90,000,000)	£216,870,886 (£90,000,000)	£240,943,800 (£90,000,000)
£107,968,731 (£90,000,000)	£134,053,149 (£90,000,000)	£159,474,353 (£90,000,000)	£184,462,323 (£90,000,000)	£208,839,966 (£90,000,000)	£233,064,007 (£90,000,000)
£99,202,227 (£90,000,000)	£125,586,426 (£90,000,000)	£151,099,728 (£90,000,000)	£176,323,053 (£90,000,000)	£200,809,047 (£90,000,000)	£225,133,330 (£90,000,000)
£90,435,723 (£90,000,000)	£117,005,332 (£90,000,000)	£142,725,104 (£90,000,000)	£168,092,766 (£90,000,000)	£192,778,127 (£90,000,000)	£217,130,081 (£90,000,000)
£81,638,563 (£90,000,000)	£108,302,043 (£90,000,000)	£134,348,780 (£90,000,000)	£159,765,903 (£90,000,000)	£184,728,141 (£90,000,000)	£209,099,162 (£90,000,000)
£72,707,989 (£90,000,000)	£99,535,539 (£90,000,000)	£125,896,013 (£90,000,000)	£151,391,278 (£90,000,000)	£176,598,020 (£90,000,000)	£201,068,242 (£90,000,000)
£63,667,818 (£90,000,000)	£90,769,035 (£90,000,000)	£117,326,408 (£90,000,000)	£143,016,654 (£90,000,000)	£168,377,608 (£90,000,000)	£193,037,322 (£90,000,000)
£54,514,123 (£90,000,000)	£81,983,367 (£90,000,000)	£108,635,356 (£90,000,000)	£134,642,029 (£90,000,000)	£160,057,453 (£90,000,000)	£184,993,959 (£90,000,000)
£45,305,966 (£90,000,000)	£73,069,712 (£90,000,000)	£99,868,852 (£90,000,000)	£126,203,183 (£90,000,000)	£151,682,829 (£90,000,000)	£176,872,829 (£90,000,000)
£36,097,808 (£90,000,000)	£64,042,590 (£90,000,000)	£91,102,348 (£90,000,000)	£117,647,483 (£90,000,000)	£143,308,204 (£90,000,000)	£168,660,317 (£90,000,000)
£26,840,651 (£90,000,000)	£54,901,208 (£90,000,000)	£82,326,526 (£90,000,000)	£108,967,639 (£90,000,000)	£134,933,579 (£90,000,000)	£160,349,003 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option v9

5,200 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
v9****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,380	304,267.60	3,750.04	337,579	1,141,015,671	0	1,141,015,671
Affordable Housing	1,820	163,836.40	1,874.97	168,785	307,188,335	0	307,188,335
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,204	468,104.00			1,462,814,006	0	1,462,814,006

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,480,011,603****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v9**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,479,005,544**NET REALISATION 1,479,005,544****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	304,267.60	1,202.01	365,732,698
Affordable Housing	163,836.40	1,202.01	196,932,991
Totals	473,523.32 m²		569,457,336
Contingency		5%	29,452,142
Site Works & Infrastructure	5,200.00 un	32,000 /un	166,400,000
Sustainable Design & Construction		2%	11,253,314
Part M4(2) - 80%	3,380.00 un	1,511 /un	5,107,180
Part M4(3) - 7% Market Housing	3,380.00 un	1,401 /un	4,735,380
Part M4(3) - 8% AH	1,820.00 un	1,602 /un	2,915,640

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****v9**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 J 12 Improvements			10,100,000	
Environmental & local infrastrucur			8,300,000	
				929,906,491
PROFESSIONAL FEES				
Professional Fees		10%	72,906,569	
				72,906,569
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	34,230,470
Sales Legal Fee	5,200.00 un	750 /un	3,900,000	
				38,130,470
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	18,431,300	
Market Profit		15%	171,152,351	
				193,652,790
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			84,464,205	
Construction			44,109,372	
Total Finance Cost				128,573,577
TOTAL COSTS				1,475,773,397
PROFIT				3,232,146

Performance Measures**This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
v9**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£151,523,869)	(£115,041,134)	(£80,929,762)	(£48,607,448)	(£17,650,677)	£12,016,861	£40,775,664	£68,757,156	£95,971,665
1,117.87 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	(£163,870,559)	(£126,550,068)	(£91,779,812)	(£58,929,027)	(£27,638,842)	£2,320,149	£31,471,614	£59,584,205	£87,143,003
1,129.89 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	(£176,608,755)	(£138,381,898)	(£102,849,337)	(£69,481,867)	(£37,818,450)	(£7,380,653)	£22,039,496	£50,376,048	£78,189,584
1,141.91 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	(£189,483,968)	(£150,557,709)	(£114,247,566)	(£80,275,130)	(£48,063,697)	(£17,164,839)	£12,467,468	£41,167,890	£69,134,640
1,153.93 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	(£202,359,181)	(£162,824,485)	(£125,738,172)	(£91,117,006)	(£58,353,800)	(£27,123,705)	£2,776,147	£31,882,689	£59,971,289
1,165.95 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	(£215,234,394)	(£175,441,873)	(£137,461,239)	(£102,118,438)	(£68,860,993)	(£37,274,699)	(£6,924,654)	£22,467,870	£50,763,132
1,177.97 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	(£228,109,608)	(£188,316,799)	(£149,591,549)	(£113,453,997)	(£79,620,499)	(£47,519,947)	(£16,682,649)	£12,915,234	£41,554,975
1,189.99 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	(£240,984,821)	(£201,192,012)	(£161,808,255)	(£124,944,604)	(£90,462,374)	(£57,786,951)	(£26,611,903)	£3,232,146	£32,288,289
1,202.01 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	(£253,860,034)	(£214,067,225)	(£174,308,028)	(£136,569,435)	(£101,402,059)	(£68,248,671)	(£36,730,949)	(£6,468,656)	£22,894,346
1,214.03 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	(£266,735,247)	(£226,942,438)	(£187,149,630)	(£148,625,390)	(£112,663,585)	(£78,965,867)	(£46,976,197)	(£16,204,240)	£13,360,369
1,226.05 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	(£279,610,460)	(£239,817,651)	(£200,024,843)	(£160,817,926)	(£124,151,035)	(£89,807,742)	(£57,228,213)	(£26,104,105)	£3,688,145
1,238.07 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	(£292,485,673)	(£252,692,865)	(£212,900,056)	(£173,213,127)	(£135,705,292)	(£100,700,636)	(£67,644,964)	(£36,194,275)	(£6,012,657)
1,250.09 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	(£305,360,886)	(£265,568,078)	(£225,775,269)	(£185,982,460)	(£147,659,230)	(£111,888,363)	(£78,313,294)	(£46,432,446)	(£15,733,086)
1,262.11 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	(£318,236,099)	(£278,443,291)	(£238,650,482)	(£198,857,674)	(£159,850,106)	(£123,357,467)	(£89,153,111)	(£56,677,694)	(£25,603,104)
1,274.13 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	(£331,111,313)	(£291,318,504)	(£251,525,695)	(£211,732,887)	(£172,152,058)	(£134,867,406)	(£100,015,194)	(£67,050,030)	(£35,661,212)
1,286.15 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
v9****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option

v9

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£122,573,506 (£105,000,000)	£148,423,324 (£105,000,000)	£173,829,965 (£105,000,000)	£198,710,205 (£105,000,000)	£223,076,274 (£105,000,000)	£247,288,309 (£105,000,000)
£113,837,985 (£105,000,000)	£140,018,699 (£105,000,000)	£165,464,123 (£105,000,000)	£190,595,735 (£105,000,000)	£215,045,355 (£105,000,000)	£239,360,019 (£105,000,000)
£105,071,481 (£105,000,000)	£131,511,039 (£105,000,000)	£157,089,499 (£105,000,000)	£182,399,914 (£105,000,000)	£207,014,435 (£105,000,000)	£231,366,390 (£105,000,000)
£96,304,977 (£105,000,000)	£122,897,781 (£105,000,000)	£148,714,874 (£105,000,000)	£174,118,602 (£105,000,000)	£198,974,856 (£105,000,000)	£223,335,470 (£105,000,000)
£87,492,637 (£105,000,000)	£114,171,297 (£105,000,000)	£140,318,725 (£105,000,000)	£165,755,673 (£105,000,000)	£190,867,691 (£105,000,000)	£215,304,550 (£105,000,000)
£78,552,849 (£105,000,000)	£105,404,793 (£105,000,000)	£131,825,102 (£105,000,000)	£157,381,049 (£105,000,000)	£182,680,110 (£105,000,000)	£207,273,630 (£105,000,000)
£69,509,413 (£105,000,000)	£96,638,289 (£105,000,000)	£123,222,056 (£105,000,000)	£149,006,424 (£105,000,000)	£174,405,976 (£105,000,000)	£199,237,433 (£105,000,000)
£60,358,374 (£105,000,000)	£87,840,548 (£105,000,000)	£114,504,610 (£105,000,000)	£140,618,310 (£105,000,000)	£166,047,223 (£105,000,000)	£191,139,625 (£105,000,000)
£51,150,216 (£105,000,000)	£78,914,572 (£105,000,000)	£105,738,106 (£105,000,000)	£132,135,906 (£105,000,000)	£157,672,599 (£105,000,000)	£182,960,306 (£105,000,000)
£41,942,059 (£105,000,000)	£69,884,185 (£105,000,000)	£96,971,602 (£105,000,000)	£123,546,230 (£105,000,000)	£149,297,974 (£105,000,000)	£174,693,350 (£105,000,000)
£32,693,443 (£105,000,000)	£60,745,458 (£105,000,000)	£88,184,966 (£105,000,000)	£114,837,922 (£105,000,000)	£140,916,050 (£105,000,000)	£166,338,773 (£105,000,000)
£23,316,986 (£105,000,000)	£51,537,301 (£105,000,000)	£79,276,296 (£105,000,000)	£106,071,418 (£105,000,000)	£132,446,710 (£105,000,000)	£157,964,149 (£105,000,000)
£13,803,627 (£105,000,000)	£42,329,143 (£105,000,000)	£70,257,843 (£105,000,000)	£97,304,914 (£105,000,000)	£123,867,305 (£105,000,000)	£149,589,524 (£105,000,000)
£4,144,144 (£105,000,000)	£33,093,589 (£105,000,000)	£61,130,719 (£105,000,000)	£88,528,125 (£105,000,000)	£115,171,234 (£105,000,000)	£141,211,681 (£105,000,000)
£5,556,658 (£105,000,000)	£23,738,248 (£105,000,000)	£51,924,385 (£105,000,000)	£79,634,935 (£105,000,000)	£106,404,730 (£105,000,000)	£132,756,435 (£105,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v10

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v10****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v10**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v10**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327

PROFESSIONAL FEES

Professional Fees		10%	77,112,717	
				77,112,717

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	36,205,305	
Sales Legal Fee	5,500.00 un	750 /un		4,125,000	
					40,330,305

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	19,494,644	
Market Profit			20%	241,368,700	
					264,932,484

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				50,347,291	
Construction				43,428,204	
Total Finance Cost					93,775,495

TOTAL COSTS**1,531,555,827****PROFIT****30,999,948****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v10**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£106,338,335) (£75,000,000)	(£74,565,702) (£75,000,000)	(£44,157,556) (£75,000,000)	(£14,935,925) (£75,000,000)	£13,614,585 (£75,000,000)	£41,131,374 (£75,000,000)	£67,997,077 (£75,000,000)	£94,082,949 (£75,000,000)	£119,598,249 (£75,000,000)
-6.000% 1,129.89 /m ²	(£117,222,623) (£75,000,000)	(£85,033,471) (£75,000,000)	(£54,327,708) (£75,000,000)	(£24,670,171) (£75,000,000)	£4,080,300 (£75,000,000)	£31,865,519 (£75,000,000)	£59,030,335 (£75,000,000)	£85,231,246 (£75,000,000)	£111,036,911 (£75,000,000)
-5.000% 1,141.91 /m ²	(£128,363,583) (£75,000,000)	(£95,716,952) (£75,000,000)	(£64,581,005) (£75,000,000)	(£34,500,958) (£75,000,000)	(£5,578,120) (£75,000,000)	£22,595,283 (£75,000,000)	£49,931,769 (£75,000,000)	£76,379,544 (£75,000,000)	£102,374,826 (£75,000,000)
-4.000% 1,153.93 /m ²	(£139,775,573) (£75,000,000)	(£106,544,997) (£75,000,000)	(£74,850,361) (£75,000,000)	(£44,481,956) (£75,000,000)	(£15,310,744) (£75,000,000)	£13,208,207 (£75,000,000)	£40,698,588 (£75,000,000)	£67,523,607 (£75,000,000)	£93,603,189 (£75,000,000)
-3.000% 1,165.95 /m ²	(£151,241,361) (£75,000,000)	(£117,400,974) (£75,000,000)	(£85,283,483) (£75,000,000)	(£54,628,457) (£75,000,000)	(£25,043,369) (£75,000,000)	£3,688,509 (£75,000,000)	£31,432,733 (£75,000,000)	£58,573,146 (£75,000,000)	£84,753,283 (£75,000,000)
-2.000% 1,177.97 /m ²	(£162,949,245) (£75,000,000)	(£128,488,231) (£75,000,000)	(£95,931,241) (£75,000,000)	(£64,881,754) (£75,000,000)	(£34,850,018) (£75,000,000)	(£5,954,156) (£75,000,000)	£22,166,878 (£75,000,000)	£49,489,166 (£75,000,000)	£75,901,580 (£75,000,000)
-1.000% 1,189.99 /m ²	(£175,021,519) (£75,000,000)	(£139,863,589) (£75,000,000)	(£106,751,659) (£75,000,000)	(£75,140,587) (£75,000,000)	(£44,809,777) (£75,000,000)	(£15,685,564) (£75,000,000)	£12,801,163 (£75,000,000)	£40,265,803 (£75,000,000)	£67,049,878 (£75,000,000)
0.000% 1,202.01 /m ²	(£187,181,657) (£75,000,000)	(£151,322,911) (£75,000,000)	(£117,589,076) (£75,000,000)	(£85,538,620) (£75,000,000)	(£54,933,985) (£75,000,000)	(£25,418,189) (£75,000,000)	£3,295,806 (£75,000,000)	£30,999,948 (£75,000,000)	£58,115,957 (£75,000,000)
+1.000% 1,214.03 /m ²	(£199,697,001) (£75,000,000)	(£162,950,341) (£75,000,000)	(£128,623,096) (£75,000,000)	(£96,151,164) (£75,000,000)	(£65,182,503) (£75,000,000)	(£35,204,783) (£75,000,000)	(£6,333,303) (£75,000,000)	£21,734,092 (£75,000,000)	£49,046,405 (£75,000,000)
+2.000% 1,226.05 /m ²	(£212,574,569) (£75,000,000)	(£174,961,117) (£75,000,000)	(£139,951,605) (£75,000,000)	(£106,958,321) (£75,000,000)	(£75,435,801) (£75,000,000)	(£45,140,247) (£75,000,000)	(£16,060,384) (£75,000,000)	£12,393,153 (£75,000,000)	£39,833,017 (£75,000,000)
+3.000% 1,238.07 /m ²	(£225,569,992) (£75,000,000)	(£187,106,107) (£75,000,000)	(£151,410,927) (£75,000,000)	(£117,787,051) (£75,000,000)	(£85,799,511) (£75,000,000)	(£55,240,537) (£75,000,000)	(£25,793,008) (£75,000,000)	£2,902,920 (£75,000,000)	£30,567,162 (£75,000,000)
+4.000% 1,250.09 /m ²	(£238,965,565) (£75,000,000)	(£199,495,016) (£75,000,000)	(£162,970,377) (£75,000,000)	(£128,768,255) (£75,000,000)	(£96,376,175) (£75,000,000)	(£65,483,252) (£75,000,000)	(£35,560,582) (£75,000,000)	(£6,712,450) (£75,000,000)	£21,301,307 (£75,000,000)
+5.000% 1,262.11 /m ²	(£252,574,013) (£75,000,000)	(£212,330,052) (£75,000,000)	(£174,900,714) (£75,000,000)	(£140,039,918) (£75,000,000)	(£107,164,984) (£75,000,000)	(£75,736,550) (£75,000,000)	(£45,474,722) (£75,000,000)	(£16,435,203) (£75,000,000)	£11,981,149 (£75,000,000)
+6.000% 1,274.13 /m ²	(£266,182,462) (£75,000,000)	(£225,259,591) (£75,000,000)	(£187,045,705) (£75,000,000)	(£151,498,943) (£75,000,000)	(£117,993,713) (£75,000,000)	(£86,067,463) (£75,000,000)	(£55,552,233) (£75,000,000)	(£26,167,828) (£75,000,000)	£2,505,524 (£75,000,000)
+7.000% 1,286.15 /m ²	(£279,790,910) (£75,000,000)	(£238,521,925) (£75,000,000)	(£199,326,482) (£75,000,000)	(£163,007,230) (£75,000,000)	(£128,923,816) (£75,000,000)	(£96,606,571) (£75,000,000)	(£65,784,002) (£75,000,000)	(£35,922,367) (£75,000,000)	(£7,093,511) (£75,000,000)

Sensitivity Analysis : Assumptions for Calculation
This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v10****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v10**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£144,554,013 (£75,000,000)	£169,216,884 (£75,000,000)	£193,325,556 (£75,000,000)	£217,103,673 (£75,000,000)	£240,346,365 (£75,000,000)	£263,473,712 (£75,000,000)
£136,065,536 (£75,000,000)	£160,890,906 (£75,000,000)	£185,151,451 (£75,000,000)	£209,052,191 (£75,000,000)	£232,440,209 (£75,000,000)	£255,596,957 (£75,000,000)
£127,577,060 (£75,000,000)	£152,506,165 (£75,000,000)	£176,955,129 (£75,000,000)	£200,945,718 (£75,000,000)	£224,519,584 (£75,000,000)	£247,690,801 (£75,000,000)
£119,088,583 (£75,000,000)	£144,040,904 (£75,000,000)	£168,690,307 (£75,000,000)	£192,785,105 (£75,000,000)	£216,546,939 (£75,000,000)	£239,784,645 (£75,000,000)
£110,537,574 (£75,000,000)	£135,552,427 (£75,000,000)	£160,368,883 (£75,000,000)	£184,611,000 (£75,000,000)	£208,503,855 (£75,000,000)	£231,878,489 (£75,000,000)
£101,886,087 (£75,000,000)	£127,063,951 (£75,000,000)	£151,989,918 (£75,000,000)	£176,420,662 (£75,000,000)	£200,401,649 (£75,000,000)	£223,960,662 (£75,000,000)
£93,123,007 (£75,000,000)	£118,575,474 (£75,000,000)	£143,527,795 (£75,000,000)	£168,163,730 (£75,000,000)	£192,244,654 (£75,000,000)	£215,990,204 (£75,000,000)
£84,275,320 (£75,000,000)	£110,038,026 (£75,000,000)	£135,039,318 (£75,000,000)	£159,844,787 (£75,000,000)	£184,070,549 (£75,000,000)	£207,953,286 (£75,000,000)
£75,423,617 (£75,000,000)	£101,395,721 (£75,000,000)	£126,550,841 (£75,000,000)	£151,472,205 (£75,000,000)	£175,886,194 (£75,000,000)	£199,857,581 (£75,000,000)
£66,571,914 (£75,000,000)	£92,642,824 (£75,000,000)	£118,062,365 (£75,000,000)	£143,014,686 (£75,000,000)	£167,637,153 (£75,000,000)	£191,704,202 (£75,000,000)
£57,655,165 (£75,000,000)	£83,797,357 (£75,000,000)	£109,535,427 (£75,000,000)	£134,526,209 (£75,000,000)	£159,320,545 (£75,000,000)	£183,530,097 (£75,000,000)
£48,600,333 (£75,000,000)	£74,945,654 (£75,000,000)	£100,905,354 (£75,000,000)	£126,037,732 (£75,000,000)	£150,954,163 (£75,000,000)	£175,349,600 (£75,000,000)
£39,400,232 (£75,000,000)	£66,093,951 (£75,000,000)	£92,162,523 (£75,000,000)	£117,549,255 (£75,000,000)	£142,501,577 (£75,000,000)	£167,108,122 (£75,000,000)
£30,134,377 (£75,000,000)	£57,194,049 (£75,000,000)	£83,319,393 (£75,000,000)	£109,032,828 (£75,000,000)	£134,013,100 (£75,000,000)	£158,796,304 (£75,000,000)
£20,868,521 (£75,000,000)	£48,154,261 (£75,000,000)	£74,467,691 (£75,000,000)	£100,413,845 (£75,000,000)	£125,524,623 (£75,000,000)	£150,436,121 (£75,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v11

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v11****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	<u>0.00</u>	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	<u>161.46</u>	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v11**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v11**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327
PROFESSIONAL FEES				
Professional Fees		10%	77,112,717	
				77,112,717
DISPOSAL FEES				
Marketing & Sales Agent Fees			36,205,305	
Sales Legal Fee	5,500.00 un	750 /un	4,125,000	
				40,330,305
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	19,494,644	
Market Profit		20%	241,368,700	
				264,932,484
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			64,047,480	
Construction			43,428,204	
Total Finance Cost				107,475,684
TOTAL COSTS				1,561,343,517
PROFIT				1,212,258

Performance Measures**This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v11**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£142,447,876)	(£108,966,987)	(£77,054,428)	(£46,528,979)	(£17,101,250)	£11,593,664	£39,299,391	£66,445,127	£92,651,365
1,117.87 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-6.000%	(£153,956,728)	(£119,898,390)	(£87,592,938)	(£56,758,501)	(£26,871,925)	£1,977,652	£30,033,536	£57,353,657	£83,799,663
1,129.89 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-5.000%	(£165,784,049)	(£131,098,207)	(£98,344,920)	(£67,011,798)	(£36,781,822)	(£7,743,445)	£20,685,130	£48,132,461	£74,941,394
1,141.91 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-4.000%	(£177,910,352)	(£142,535,892)	(£109,173,650)	(£77,325,689)	(£46,841,422)	(£17,476,069)	£11,198,066	£38,866,606	£65,987,938
1,153.93 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-3.000%	(£190,121,221)	(£154,013,022)	(£120,065,240)	(£87,830,387)	(£57,059,250)	(£27,233,710)	£1,595,839	£29,600,751	£56,911,053
1,165.95 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-2.000%	(£202,770,867)	(£165,758,818)	(£131,212,205)	(£98,551,582)	(£67,312,547)	(£37,119,666)	(£8,118,264)	£20,273,126	£47,699,675
1,177.97 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-1.000%	(£215,656,006)	(£177,849,949)	(£142,623,908)	(£109,380,312)	(£77,602,426)	(£47,159,465)	(£17,850,889)	£10,800,670	£38,433,820
1,189.99 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
0.000%	(£228,733,060)	(£190,013,653)	(£154,084,518)	(£120,241,707)	(£88,075,070)	(£57,359,999)	(£27,595,806)	£1,212,258	£29,167,965
1,202.01 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+1.000%	(£242,219,979)	(£202,534,540)	(£165,753,091)	(£131,336,431)	(£98,759,283)	(£67,613,297)	(£37,462,464)	(£8,493,084)	£19,858,600
1,214.03 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+2.000%	(£255,828,427)	(£215,411,488)	(£177,789,547)	(£142,711,924)	(£109,586,974)	(£77,886,337)	(£47,477,886)	(£18,225,709)	£10,403,274
1,226.05 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+3.000%	(£269,436,875)	(£228,394,343)	(£189,934,538)	(£154,171,246)	(£120,427,906)	(£88,324,366)	(£57,660,748)	(£27,964,057)	£828,677
1,238.07 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+4.000%	(£283,045,323)	(£241,761,330)	(£202,332,408)	(£165,763,538)	(£131,470,607)	(£98,973,572)	(£67,914,046)	(£37,806,612)	(£8,867,904)
1,250.09 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+5.000%	(£296,653,772)	(£255,369,778)	(£215,166,971)	(£177,729,145)	(£142,799,940)	(£109,793,636)	(£78,174,826)	(£47,802,089)	(£18,600,528)
1,262.11 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+6.000%	(£310,262,220)	(£268,978,226)	(£228,087,831)	(£189,874,135)	(£154,259,262)	(£120,623,640)	(£88,578,589)	(£57,961,497)	(£28,333,153)
1,274.13 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+7.000%	(£323,870,668)	(£282,586,674)	(£241,326,665)	(£202,162,917)	(£165,793,407)	(£131,614,810)	(£99,193,632)	(£68,214,795)	(£38,155,672)
1,286.15 /m ²	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v11****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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SENSITIVITY ANALYSIS REPORT

DIXON SEARLE PARTNERSHIP

Eastleigh BC - Strategic Growth Option Base Appraisal v11

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£118,508,631 (£90,000,000)	£143,588,044 (£90,000,000)	£168,481,949 (£90,000,000)	£192,873,299 (£90,000,000)	£216,816,360 (£90,000,000)	£240,337,330 (£90,000,000)
£109,819,369 (£90,000,000)	£135,099,567 (£90,000,000)	£160,050,280 (£90,000,000)	£184,624,903 (£90,000,000)	£208,690,713 (£90,000,000)	£232,361,932 (£90,000,000)
£101,025,105 (£90,000,000)	£126,597,039 (£90,000,000)	£151,563,412 (£90,000,000)	£176,313,534 (£90,000,000)	£200,521,269 (£90,000,000)	£224,338,711 (£90,000,000)
£92,173,402 (£90,000,000)	£118,012,412 (£90,000,000)	£143,074,935 (£90,000,000)	£167,962,312 (£90,000,000)	£192,338,150 (£90,000,000)	£216,270,068 (£90,000,000)
£83,321,699 (£90,000,000)	£109,331,738 (£90,000,000)	£134,586,458 (£90,000,000)	£159,535,677 (£90,000,000)	£184,095,836 (£90,000,000)	£208,148,529 (£90,000,000)
£74,467,829 (£90,000,000)	£100,547,142 (£90,000,000)	£126,089,949 (£90,000,000)	£151,050,302 (£90,000,000)	£175,789,292 (£90,000,000)	£199,980,818 (£90,000,000)
£65,530,749 (£90,000,000)	£91,695,439 (£90,000,000)	£117,516,194 (£90,000,000)	£142,561,826 (£90,000,000)	£167,442,356 (£90,000,000)	£191,800,769 (£90,000,000)
£56,465,576 (£90,000,000)	£82,843,736 (£90,000,000)	£108,844,107 (£90,000,000)	£134,073,349 (£90,000,000)	£159,021,073 (£90,000,000)	£183,566,770 (£90,000,000)
£47,266,890 (£90,000,000)	£73,992,033 (£90,000,000)	£100,068,111 (£90,000,000)	£125,580,491 (£90,000,000)	£150,537,193 (£90,000,000)	£175,265,050 (£90,000,000)
£38,001,035 (£90,000,000)	£65,069,764 (£90,000,000)	£91,217,475 (£90,000,000)	£117,017,604 (£90,000,000)	£142,048,716 (£90,000,000)	£166,922,400 (£90,000,000)
£28,735,180 (£90,000,000)	£56,019,504 (£90,000,000)	£82,365,773 (£90,000,000)	£108,356,477 (£90,000,000)	£133,560,240 (£90,000,000)	£158,506,469 (£90,000,000)
£19,441,521 (£90,000,000)	£46,834,104 (£90,000,000)	£73,514,070 (£90,000,000)	£99,587,928 (£90,000,000)	£125,071,032 (£90,000,000)	£150,024,084 (£90,000,000)
£10,002,067 (£90,000,000)	£37,568,249 (£90,000,000)	£64,608,648 (£90,000,000)	£90,739,512 (£90,000,000)	£116,518,267 (£90,000,000)	£141,535,607 (£90,000,000)
£442,029 (£90,000,000)	£28,302,394 (£90,000,000)	£55,572,717 (£90,000,000)	£81,887,809 (£90,000,000)	£107,867,166 (£90,000,000)	£133,047,131 (£90,000,000)
£9,242,723 (£90,000,000)	£19,020,078 (£90,000,000)	£46,400,603 (£90,000,000)	£73,036,107 (£90,000,000)	£99,107,745 (£90,000,000)	£124,558,654 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v12

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
20% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v12****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v12**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v12**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327

PROFESSIONAL FEES

Professional Fees		10%	77,112,717	
				77,112,717

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	36,205,305	
Sales Legal Fee	5,500.00 un		750 /un	4,125,000	
					40,330,305

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	19,494,644	
Market Profit			20%	241,368,700	
					264,932,484

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				78,990,384	
Construction				43,428,204	
Total Finance Cost					122,418,588

TOTAL COSTS**1,592,373,920****PROFIT****29,818,146****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v12**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²								
Construction: Rate /m ²		-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	1,117.87 /m ²	(£180,799,184)	(£145,208,195)	(£111,598,569)	(£79,566,609)	(£48,935,997)	(£19,274,293)	£9,518,027	£37,467,409	£64,775,544
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	1,129.89 /m ²	(£193,095,011)	(£156,742,052)	(£122,587,619)	(£90,174,969)	(£59,189,294)	(£29,117,552)	(£176,145)	£28,151,195	£55,566,334
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	1,141.91 /m ²	(£205,852,304)	(£168,603,517)	(£133,843,027)	(£100,973,572)	(£69,446,375)	(£39,101,920)	(£9,908,770)	£18,697,524	£46,300,479
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	1,153.93 /m ²	(£218,749,074)	(£180,738,782)	(£145,296,211)	(£111,802,302)	(£79,827,500)	(£49,240,033)	(£19,642,544)	£9,131,539	£37,034,624
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	1,165.95 /m ²	(£231,918,793)	(£192,955,872)	(£156,788,758)	(£122,743,740)	(£90,402,810)	(£59,490,043)	(£29,466,613)	(£550,965)	£27,734,116
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	1,177.97 /m ²	(£245,474,392)	(£205,607,786)	(£168,572,594)	(£133,946,996)	(£101,180,235)	(£69,743,341)	(£39,430,313)	(£10,283,589)	£18,295,324
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	1,189.99 /m ²	(£259,082,841)	(£218,492,925)	(£180,678,380)	(£145,384,227)	(£112,008,964)	(£80,093,270)	(£49,546,585)	(£20,016,214)	£8,743,416
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	1,202.01 /m ²	(£272,691,289)	(£231,550,074)	(£192,845,649)	(£156,851,903)	(£122,909,113)	(£90,635,040)	(£59,790,792)	(£29,818,146)	(£925,784)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	1,214.03 /m ²	(£286,299,737)	(£245,015,743)	(£205,372,079)	(£168,558,032)	(£134,060,827)	(£101,386,897)	(£70,044,090)	(£39,760,783)	(£10,658,409)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	1,226.05 /m ²	(£299,908,185)	(£258,624,191)	(£218,248,407)	(£180,617,977)	(£145,472,243)	(£112,215,627)	(£80,363,191)	(£49,855,780)	(£20,391,034)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	1,238.07 /m ²	(£313,516,634)	(£272,232,640)	(£231,218,695)	(£192,763,248)	(£156,931,565)	(£123,083,828)	(£90,872,489)	(£60,091,541)	(£30,173,566)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	1,250.09 /m ²	(£327,125,082)	(£285,841,088)	(£244,557,407)	(£205,169,799)	(£168,562,248)	(£134,184,631)	(£101,593,559)	(£70,344,839)	(£40,094,880)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	1,262.11 /m ²	(£340,733,530)	(£299,449,536)	(£258,165,542)	(£218,003,890)	(£180,557,575)	(£145,560,260)	(£112,422,289)	(£80,639,928)	(£50,168,223)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	1,274.13 /m ²	(£354,341,978)	(£313,057,984)	(£271,773,991)	(£230,918,833)	(£192,702,566)	(£157,019,582)	(£123,268,036)	(£91,116,669)	(£60,392,291)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	1,286.15 /m ²	(£367,950,427)	(£326,666,433)	(£285,382,439)	(£244,134,086)	(£204,999,351)	(£168,583,066)	(£134,318,119)	(£101,801,614)	(£70,645,588)
		(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v12****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v12**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£91,219,781 (£105,000,000)	£117,257,101 (£105,000,000)	£142,622,075 (£105,000,000)	£167,574,396 (£105,000,000)	£192,258,039 (£105,000,000)	£216,431,539 (£105,000,000)
£82,359,180 (£105,000,000)	£108,445,224 (£105,000,000)	£134,092,841 (£105,000,000)	£159,085,919 (£105,000,000)	£183,923,796 (£105,000,000)	£208,251,939 (£105,000,000)
£73,402,731 (£105,000,000)	£99,593,521 (£105,000,000)	£125,478,351 (£105,000,000)	£150,597,442 (£105,000,000)	£175,527,519 (£105,000,000)	£200,024,445 (£105,000,000)
£64,330,819 (£105,000,000)	£90,741,818 (£105,000,000)	£116,772,065 (£105,000,000)	£142,108,966 (£105,000,000)	£167,061,287 (£105,000,000)	£191,733,797 (£105,000,000)
£55,133,548 (£105,000,000)	£81,885,615 (£105,000,000)	£107,967,260 (£105,000,000)	£133,590,242 (£105,000,000)	£158,572,810 (£105,000,000)	£183,401,774 (£105,000,000)
£45,867,693 (£105,000,000)	£72,945,479 (£105,000,000)	£99,115,558 (£105,000,000)	£124,985,107 (£105,000,000)	£150,084,333 (£105,000,000)	£175,011,272 (£105,000,000)
£36,601,838 (£105,000,000)	£63,884,746 (£105,000,000)	£90,263,855 (£105,000,000)	£116,287,029 (£105,000,000)	£141,595,856 (£105,000,000)	£166,548,178 (£105,000,000)
£27,314,103 (£105,000,000)	£54,700,763 (£105,000,000)	£81,412,050 (£105,000,000)	£107,489,297 (£105,000,000)	£133,084,509 (£105,000,000)	£158,059,701 (£105,000,000)
£17,893,123 (£105,000,000)	£45,434,908 (£105,000,000)	£72,484,363 (£105,000,000)	£98,637,594 (£105,000,000)	£124,489,233 (£105,000,000)	£149,571,224 (£105,000,000)
£8,355,294 (£105,000,000)	£36,169,053 (£105,000,000)	£63,438,674 (£105,000,000)	£89,785,892 (£105,000,000)	£115,801,019 (£105,000,000)	£141,082,747 (£105,000,000)
(£1,300,604) (£105,000,000)	£26,891,908 (£105,000,000)	£54,265,794 (£105,000,000)	£80,934,189 (£105,000,000)	£107,011,334 (£105,000,000)	£132,578,554 (£105,000,000)
(£11,033,229) (£105,000,000)	£17,489,242 (£105,000,000)	£45,002,122 (£105,000,000)	£72,023,247 (£105,000,000)	£98,159,631 (£105,000,000)	£123,993,015 (£105,000,000)
(£20,765,853) (£105,000,000)	£7,964,003 (£105,000,000)	£35,736,267 (£105,000,000)	£62,989,797 (£105,000,000)	£89,307,928 (£105,000,000)	£115,313,389 (£105,000,000)
(£30,531,600) (£105,000,000)	(£1,678,159) (£105,000,000)	£26,465,551 (£105,000,000)	£53,829,860 (£105,000,000)	£80,456,226 (£105,000,000)	£106,533,032 (£105,000,000)
(£40,431,513) (£105,000,000)	(£11,408,048) (£105,000,000)	£17,082,198 (£105,000,000)	£44,569,337 (£105,000,000)	£71,559,381 (£105,000,000)	£97,681,668 (£105,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v13

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v13****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m²	Sales Rate m²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m²	Rent Rate m²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v13**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE 1,562,555,775**NET REALISATION 1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v13**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327

PROFESSIONAL FEES

Professional Fees		10%	77,112,717	
				77,112,717

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	36,205,305	
Sales Legal Fee	5,500.00 un		750 /un	4,125,000	
					40,330,305

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	19,494,644	
Market Profit			18%	211,197,612	
					234,761,396

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				50,347,291	
Construction				43,428,204	
Total Finance Cost					93,775,495

TOTAL COSTS**1,501,384,740****PROFIT****61,171,035****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v13**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²								
Construction: Rate /m ²		-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	1,117.87 /m ²	(£78,983,185) (£75,000,000)	(£46,808,276) (£75,000,000)	(£15,997,853) (£75,000,000)	£13,626,055 (£75,000,000)	£42,578,842 (£75,000,000)	£70,497,907 (£75,000,000)	£97,765,888 (£75,000,000)	£124,254,037 (£75,000,000)	£150,171,613 (£75,000,000)
-6.000%	1,129.89 /m ²	(£89,867,474) (£75,000,000)	(£57,276,045) (£75,000,000)	(£26,168,005) (£75,000,000)	£3,891,809 (£75,000,000)	£33,044,557 (£75,000,000)	£61,232,052 (£75,000,000)	£88,799,145 (£75,000,000)	£115,402,334 (£75,000,000)	£141,610,275 (£75,000,000)
-5.000%	1,141.91 /m ²	(£101,008,434) (£75,000,000)	(£67,959,526) (£75,000,000)	(£36,421,302) (£75,000,000)	(£5,938,978) (£75,000,000)	£23,386,137 (£75,000,000)	£51,961,817 (£75,000,000)	£79,700,579 (£75,000,000)	£106,550,631 (£75,000,000)	£132,948,191 (£75,000,000)
-4.000%	1,153.93 /m ²	(£112,420,423) (£75,000,000)	(£78,787,571) (£75,000,000)	(£46,690,658) (£75,000,000)	(£15,919,976) (£75,000,000)	£13,653,512 (£75,000,000)	£42,574,741 (£75,000,000)	£70,467,399 (£75,000,000)	£97,694,695 (£75,000,000)	£124,176,554 (£75,000,000)
-3.000%	1,165.95 /m ²	(£123,886,212) (£75,000,000)	(£89,643,548) (£75,000,000)	(£57,123,780) (£75,000,000)	(£26,066,477) (£75,000,000)	£3,920,888 (£75,000,000)	£33,055,043 (£75,000,000)	£61,201,544 (£75,000,000)	£88,744,233 (£75,000,000)	£115,326,647 (£75,000,000)
-2.000%	1,177.97 /m ²	(£135,594,095) (£75,000,000)	(£100,730,805) (£75,000,000)	(£67,771,538) (£75,000,000)	(£36,319,774) (£75,000,000)	(£5,885,761) (£75,000,000)	£23,412,378 (£75,000,000)	£51,935,689 (£75,000,000)	£79,660,253 (£75,000,000)	£106,474,945 (£75,000,000)
-1.000%	1,189.99 /m ²	(£147,666,370) (£75,000,000)	(£112,106,163) (£75,000,000)	(£78,591,956) (£75,000,000)	(£46,578,607) (£75,000,000)	(£15,845,521) (£75,000,000)	£13,680,970 (£75,000,000)	£42,569,974 (£75,000,000)	£70,436,890 (£75,000,000)	£97,623,242 (£75,000,000)
0.000%	1,202.01 /m ²	(£159,826,507) (£75,000,000)	(£123,565,485) (£75,000,000)	(£89,429,373) (£75,000,000)	(£56,976,640) (£75,000,000)	(£25,969,728) (£75,000,000)	£3,948,345 (£75,000,000)	£33,064,616 (£75,000,000)	£61,171,035 (£75,000,000)	£88,689,321 (£75,000,000)
+1.000%	1,214.03 /m ²	(£172,341,851) (£75,000,000)	(£135,192,914) (£75,000,000)	(£100,463,393) (£75,000,000)	(£67,589,184) (£75,000,000)	(£36,218,247) (£75,000,000)	(£5,838,249) (£75,000,000)	£23,435,508 (£75,000,000)	£51,905,180 (£75,000,000)	£79,619,770 (£75,000,000)
+2.000%	1,226.05 /m ²	(£185,219,420) (£75,000,000)	(£147,203,690) (£75,000,000)	(£111,791,902) (£75,000,000)	(£78,396,342) (£75,000,000)	(£46,471,544) (£75,000,000)	(£15,773,713) (£75,000,000)	£13,708,427 (£75,000,000)	£42,564,240 (£75,000,000)	£70,406,381 (£75,000,000)
+3.000%	1,238.07 /m ²	(£198,214,842) (£75,000,000)	(£159,348,681) (£75,000,000)	(£123,251,224) (£75,000,000)	(£89,225,071) (£75,000,000)	(£56,835,254) (£75,000,000)	(£25,874,004) (£75,000,000)	£3,975,802 (£75,000,000)	£33,074,007 (£75,000,000)	£61,140,526 (£75,000,000)
+4.000%	1,250.09 /m ²	(£211,610,416) (£75,000,000)	(£171,737,590) (£75,000,000)	(£134,810,674) (£75,000,000)	(£100,206,275) (£75,000,000)	(£67,411,918) (£75,000,000)	(£36,116,719) (£75,000,000)	(£5,791,771) (£75,000,000)	£23,458,638 (£75,000,000)	£51,874,671 (£75,000,000)
+5.000%	1,262.11 /m ²	(£225,218,864) (£75,000,000)	(£184,572,625) (£75,000,000)	(£146,741,011) (£75,000,000)	(£111,477,938) (£75,000,000)	(£78,200,727) (£75,000,000)	(£46,370,016) (£75,000,000)	(£15,705,912) (£75,000,000)	£13,735,884 (£75,000,000)	£42,554,514 (£75,000,000)
+6.000%	1,274.13 /m ²	(£238,827,312) (£75,000,000)	(£197,502,165) (£75,000,000)	(£158,886,002) (£75,000,000)	(£122,936,963) (£75,000,000)	(£89,029,457) (£75,000,000)	(£56,700,929) (£75,000,000)	(£25,783,422) (£75,000,000)	£4,003,259 (£75,000,000)	£33,078,888 (£75,000,000)
+7.000%	1,286.15 /m ²	(£252,435,760) (£75,000,000)	(£210,764,499) (£75,000,000)	(£171,166,779) (£75,000,000)	(£134,445,250) (£75,000,000)	(£99,959,560) (£75,000,000)	(£67,240,038) (£75,000,000)	(£36,015,191) (£75,000,000)	(£5,751,279) (£75,000,000)	£23,479,853 (£75,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v13****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

SENSITIVITY ANALYSIS REPORT**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v13**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£175,529,654 (£75,000,000)	£200,594,802 (£75,000,000)	£225,105,751 (£75,000,000)	£249,286,145 (£75,000,000)	£272,931,114 (£75,000,000)	£296,460,738 (£75,000,000)
£167,041,178 (£75,000,000)	£192,268,824 (£75,000,000)	£216,931,646 (£75,000,000)	£241,234,663 (£75,000,000)	£265,024,958 (£75,000,000)	£288,583,983 (£75,000,000)
£158,552,701 (£75,000,000)	£183,884,083 (£75,000,000)	£208,735,324 (£75,000,000)	£233,128,189 (£75,000,000)	£257,104,333 (£75,000,000)	£280,677,827 (£75,000,000)
£150,064,224 (£75,000,000)	£175,418,822 (£75,000,000)	£200,470,502 (£75,000,000)	£224,967,577 (£75,000,000)	£249,131,687 (£75,000,000)	£272,771,671 (£75,000,000)
£141,513,215 (£75,000,000)	£166,930,345 (£75,000,000)	£192,149,078 (£75,000,000)	£216,793,472 (£75,000,000)	£241,088,604 (£75,000,000)	£264,865,514 (£75,000,000)
£132,861,729 (£75,000,000)	£158,441,869 (£75,000,000)	£183,770,113 (£75,000,000)	£208,603,133 (£75,000,000)	£232,986,398 (£75,000,000)	£256,947,687 (£75,000,000)
£124,098,648 (£75,000,000)	£149,953,392 (£75,000,000)	£175,307,990 (£75,000,000)	£200,346,202 (£75,000,000)	£224,829,402 (£75,000,000)	£248,977,230 (£75,000,000)
£115,250,961 (£75,000,000)	£141,415,944 (£75,000,000)	£166,819,513 (£75,000,000)	£192,027,259 (£75,000,000)	£216,655,297 (£75,000,000)	£240,940,311 (£75,000,000)
£106,399,258 (£75,000,000)	£132,773,639 (£75,000,000)	£158,331,036 (£75,000,000)	£183,654,677 (£75,000,000)	£208,470,942 (£75,000,000)	£232,844,607 (£75,000,000)
£97,547,556 (£75,000,000)	£124,020,742 (£75,000,000)	£149,842,559 (£75,000,000)	£175,197,158 (£75,000,000)	£200,221,902 (£75,000,000)	£224,691,228 (£75,000,000)
£88,630,806 (£75,000,000)	£115,175,275 (£75,000,000)	£141,315,622 (£75,000,000)	£166,708,681 (£75,000,000)	£191,905,294 (£75,000,000)	£216,517,123 (£75,000,000)
£79,575,974 (£75,000,000)	£106,323,572 (£75,000,000)	£132,685,549 (£75,000,000)	£158,220,204 (£75,000,000)	£183,538,912 (£75,000,000)	£208,336,625 (£75,000,000)
£70,375,873 (£75,000,000)	£97,471,869 (£75,000,000)	£123,942,718 (£75,000,000)	£149,731,727 (£75,000,000)	£175,086,325 (£75,000,000)	£200,095,147 (£75,000,000)
£61,110,018 (£75,000,000)	£88,571,967 (£75,000,000)	£115,099,588 (£75,000,000)	£141,215,300 (£75,000,000)	£166,597,848 (£75,000,000)	£191,783,329 (£75,000,000)
£51,844,163 (£75,000,000)	£79,532,179 (£75,000,000)	£106,247,885 (£75,000,000)	£132,596,317 (£75,000,000)	£158,109,372 (£75,000,000)	£183,423,147 (£75,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v14

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v14****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m ²	Sales Rate m ²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v14**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v14**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327

PROFESSIONAL FEES

Professional Fees		10%	77,112,717	
				77,112,717

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	36,205,305	
Sales Legal Fee	5,500.00 un		750 /un	4,125,000	
					40,330,305

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	19,494,644	
Market Profit			18%	211,197,612	
					234,761,396

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				64,047,480	
Construction				43,428,204	
Total Finance Cost					107,475,684

TOTAL COSTS**1,531,172,429****PROFIT****31,383,346****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v14**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000% 1,117.87 /m ²	(£115,092,726) (£90,000,000)	(£81,209,561) (£90,000,000)	(£48,894,725) (£90,000,000)	(£17,966,999) (£90,000,000)	£11,863,007 (£90,000,000)	£40,960,197 (£90,000,000)	£69,068,202 (£90,000,000)	£96,616,215 (£90,000,000)	£123,224,730 (£90,000,000)
-6.000% 1,129.89 /m ²	(£126,601,579) (£90,000,000)	(£92,140,964) (£90,000,000)	(£59,433,235) (£90,000,000)	(£28,196,521) (£90,000,000)	£2,092,332 (£90,000,000)	£31,344,186 (£90,000,000)	£59,802,347 (£90,000,000)	£87,524,744 (£90,000,000)	£114,373,027 (£90,000,000)
-5.000% 1,141.91 /m ²	(£138,428,900) (£90,000,000)	(£103,340,781) (£90,000,000)	(£70,185,217) (£90,000,000)	(£38,449,818) (£90,000,000)	(£7,817,565) (£90,000,000)	£21,623,089 (£90,000,000)	£50,453,940 (£90,000,000)	£78,303,548 (£90,000,000)	£105,514,758 (£90,000,000)
-4.000% 1,153.93 /m ²	(£150,555,202) (£90,000,000)	(£114,778,466) (£90,000,000)	(£81,013,946) (£90,000,000)	(£48,763,709) (£90,000,000)	(£17,877,165) (£90,000,000)	£11,890,464 (£90,000,000)	£40,966,876 (£90,000,000)	£69,037,693 (£90,000,000)	£96,561,303 (£90,000,000)
-3.000% 1,165.95 /m ²	(£162,766,072) (£90,000,000)	(£126,255,596) (£90,000,000)	(£91,905,537) (£90,000,000)	(£59,268,407) (£90,000,000)	(£28,094,993) (£90,000,000)	£2,132,824 (£90,000,000)	£31,364,650 (£90,000,000)	£59,771,838 (£90,000,000)	£87,484,418 (£90,000,000)
-2.000% 1,177.97 /m ²	(£175,415,718) (£90,000,000)	(£138,001,392) (£90,000,000)	(£103,052,502) (£90,000,000)	(£69,989,602) (£90,000,000)	(£38,348,291) (£90,000,000)	(£7,753,132) (£90,000,000)	£21,650,546 (£90,000,000)	£50,444,214 (£90,000,000)	£78,273,040 (£90,000,000)
-1.000% 1,189.99 /m ²	(£188,300,857) (£90,000,000)	(£150,092,523) (£90,000,000)	(£114,464,205) (£90,000,000)	(£80,818,332) (£90,000,000)	(£48,638,169) (£90,000,000)	(£17,792,931) (£90,000,000)	£11,917,922 (£90,000,000)	£40,971,757 (£90,000,000)	£69,007,185 (£90,000,000)
0.000% 1,202.01 /m ²	(£201,377,911) (£90,000,000)	(£162,256,227) (£90,000,000)	(£125,924,815) (£90,000,000)	(£91,679,727) (£90,000,000)	(£59,110,813) (£90,000,000)	(£27,993,465) (£90,000,000)	£2,173,004 (£90,000,000)	£31,383,346 (£90,000,000)	£59,741,330 (£90,000,000)
+1.000% 1,214.03 /m ²	(£214,864,829) (£90,000,000)	(£174,777,114) (£90,000,000)	(£137,593,388) (£90,000,000)	(£102,774,451) (£90,000,000)	(£69,795,026) (£90,000,000)	(£38,246,763) (£90,000,000)	(£7,693,653) (£90,000,000)	£21,678,003 (£90,000,000)	£50,431,965 (£90,000,000)
+2.000% 1,226.05 /m ²	(£228,473,278) (£90,000,000)	(£187,654,062) (£90,000,000)	(£149,629,844) (£90,000,000)	(£114,149,944) (£90,000,000)	(£80,622,717) (£90,000,000)	(£48,519,804) (£90,000,000)	(£17,709,076) (£90,000,000)	£11,945,379 (£90,000,000)	£40,976,638 (£90,000,000)
+3.000% 1,238.07 /m ²	(£242,081,726) (£90,000,000)	(£200,636,917) (£90,000,000)	(£161,774,835) (£90,000,000)	(£125,609,266) (£90,000,000)	(£91,463,650) (£90,000,000)	(£58,957,832) (£90,000,000)	(£27,891,938) (£90,000,000)	£2,207,031 (£90,000,000)	£31,402,041 (£90,000,000)
+4.000% 1,250.09 /m ²	(£255,690,174) (£90,000,000)	(£214,003,903) (£90,000,000)	(£174,172,705) (£90,000,000)	(£137,201,558) (£90,000,000)	(£102,506,350) (£90,000,000)	(£69,607,039) (£90,000,000)	(£38,145,235) (£90,000,000)	(£7,635,525) (£90,000,000)	£21,705,461 (£90,000,000)
+5.000% 1,262.11 /m ²	(£269,298,622) (£90,000,000)	(£227,612,352) (£90,000,000)	(£187,007,268) (£90,000,000)	(£149,167,165) (£90,000,000)	(£113,835,683) (£90,000,000)	(£80,427,103) (£90,000,000)	(£48,406,015) (£90,000,000)	(£17,631,001) (£90,000,000)	£11,972,836 (£90,000,000)
+6.000% 1,274.13 /m ²	(£282,907,071) (£90,000,000)	(£241,220,800) (£90,000,000)	(£199,928,128) (£90,000,000)	(£161,312,155) (£90,000,000)	(£125,295,005) (£90,000,000)	(£91,257,106) (£90,000,000)	(£58,809,778) (£90,000,000)	(£27,790,410) (£90,000,000)	£2,240,211 (£90,000,000)
+7.000% 1,286.15 /m ²	(£296,515,519) (£90,000,000)	(£254,829,248) (£90,000,000)	(£213,166,961) (£90,000,000)	(£173,600,937) (£90,000,000)	(£136,829,151) (£90,000,000)	(£102,248,276) (£90,000,000)	(£69,424,821) (£90,000,000)	(£38,043,707) (£90,000,000)	(£7,582,308) (£90,000,000)

Sensitivity Analysis : Assumptions for Calculation
This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v14****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v14**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£149,484,272 (£90,000,000)	£174,965,962 (£90,000,000)	£200,262,144 (£90,000,000)	£225,055,771 (£90,000,000)	£249,401,108 (£90,000,000)	£273,324,356 (£90,000,000)
£140,795,010 (£90,000,000)	£166,477,485 (£90,000,000)	£191,830,475 (£90,000,000)	£216,807,375 (£90,000,000)	£241,275,462 (£90,000,000)	£265,348,957 (£90,000,000)
£132,000,746 (£90,000,000)	£157,974,957 (£90,000,000)	£183,343,607 (£90,000,000)	£208,496,006 (£90,000,000)	£233,106,018 (£90,000,000)	£257,325,736 (£90,000,000)
£123,149,043 (£90,000,000)	£149,390,330 (£90,000,000)	£174,855,130 (£90,000,000)	£200,144,784 (£90,000,000)	£224,922,899 (£90,000,000)	£249,257,094 (£90,000,000)
£114,297,340 (£90,000,000)	£140,709,656 (£90,000,000)	£166,366,653 (£90,000,000)	£191,718,148 (£90,000,000)	£216,680,585 (£90,000,000)	£241,135,555 (£90,000,000)
£105,443,470 (£90,000,000)	£131,925,060 (£90,000,000)	£157,870,144 (£90,000,000)	£183,232,774 (£90,000,000)	£208,374,041 (£90,000,000)	£232,967,844 (£90,000,000)
£96,506,390 (£90,000,000)	£123,073,357 (£90,000,000)	£149,296,389 (£90,000,000)	£174,744,297 (£90,000,000)	£200,027,104 (£90,000,000)	£224,787,795 (£90,000,000)
£87,441,217 (£90,000,000)	£114,221,654 (£90,000,000)	£140,624,302 (£90,000,000)	£166,255,821 (£90,000,000)	£191,605,822 (£90,000,000)	£216,553,795 (£90,000,000)
£78,242,531 (£90,000,000)	£105,369,951 (£90,000,000)	£131,848,306 (£90,000,000)	£157,762,963 (£90,000,000)	£183,121,942 (£90,000,000)	£208,252,076 (£90,000,000)
£68,976,676 (£90,000,000)	£96,447,682 (£90,000,000)	£122,997,670 (£90,000,000)	£149,200,076 (£90,000,000)	£174,633,465 (£90,000,000)	£199,909,425 (£90,000,000)
£59,710,821 (£90,000,000)	£87,397,422 (£90,000,000)	£114,145,968 (£90,000,000)	£140,538,949 (£90,000,000)	£166,144,988 (£90,000,000)	£191,493,495 (£90,000,000)
£50,417,162 (£90,000,000)	£78,212,023 (£90,000,000)	£105,294,265 (£90,000,000)	£131,770,400 (£90,000,000)	£157,655,781 (£90,000,000)	£183,011,110 (£90,000,000)
£40,977,708 (£90,000,000)	£68,946,167 (£90,000,000)	£96,388,843 (£90,000,000)	£122,921,984 (£90,000,000)	£149,103,016 (£90,000,000)	£174,522,633 (£90,000,000)
£31,417,670 (£90,000,000)	£59,680,312 (£90,000,000)	£87,352,912 (£90,000,000)	£114,070,281 (£90,000,000)	£140,451,915 (£90,000,000)	£166,034,156 (£90,000,000)
£21,732,918 (£90,000,000)	£50,397,996 (£90,000,000)	£78,180,798 (£90,000,000)	£105,218,579 (£90,000,000)	£131,692,494 (£90,000,000)	£157,545,679 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v15

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
17.5% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v15****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m ²	Sales Rate m ²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v15**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v15**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327

PROFESSIONAL FEES

Professional Fees		10%	77,112,717	
				77,112,717

DISPOSAL FEES

Marketing & Sales Agent Fees			3%	36,205,305	
Sales Legal Fee	5,500.00 un	750 /un		4,125,000	
					40,330,305

MISCELLANEOUS FEES

Employment Land Profit			15%	4,069,140	
AH Profit			6%	19,494,644	
Market Profit			18%	211,197,612	
					234,761,396

FINANCE

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)					
Land				78,990,384	
Construction				43,428,204	
Total Finance Cost					122,418,588

TOTAL COSTS**1,562,202,833****PROFIT****352,942****Performance Measures****This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v15**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£153,444,035)	(£117,450,769)	(£83,438,866)	(£51,004,629)	(£19,971,740)	£10,092,240	£39,286,838	£67,638,496	£95,348,909
1,117.87 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	(£165,739,861)	(£128,984,626)	(£94,427,915)	(£61,612,989)	(£30,225,037)	£248,981	£29,592,666	£58,322,283	£86,139,698
1,129.89 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	(£178,497,154)	(£140,846,091)	(£105,683,324)	(£72,411,593)	(£40,482,118)	(£9,735,386)	£19,860,041	£48,868,611	£76,873,843
1,141.91 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	(£191,393,925)	(£152,981,356)	(£117,136,508)	(£83,240,322)	(£50,863,243)	(£19,873,499)	£10,126,267	£39,302,627	£67,607,988
1,153.93 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	(£204,563,644)	(£165,198,446)	(£128,629,055)	(£94,181,760)	(£61,438,553)	(£30,123,510)	£302,198	£29,620,123	£58,307,480
1,165.95 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	(£218,119,243)	(£177,850,360)	(£140,412,891)	(£105,385,016)	(£72,215,978)	(£40,376,807)	(£9,661,503)	£19,887,498	£48,868,688
1,177.97 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	(£231,727,691)	(£190,735,499)	(£152,518,677)	(£116,822,247)	(£83,044,708)	(£50,726,736)	(£19,777,775)	£10,154,874	£39,316,781
1,189.99 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	(£245,336,140)	(£203,792,648)	(£164,685,946)	(£128,289,923)	(£93,944,856)	(£61,268,506)	(£30,021,982)	£352,942	£29,647,580
1,202.01 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	(£258,944,588)	(£217,258,317)	(£177,212,376)	(£139,996,052)	(£105,096,570)	(£72,020,363)	(£40,275,279)	(£9,589,695)	£19,914,955
1,214.03 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	(£272,553,036)	(£230,866,765)	(£190,088,704)	(£152,055,997)	(£116,507,987)	(£82,849,093)	(£50,594,381)	(£19,684,692)	£10,182,331
1,226.05 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	(£286,161,484)	(£244,475,214)	(£203,058,992)	(£164,201,268)	(£127,967,309)	(£93,717,295)	(£61,103,678)	(£29,920,454)	£399,798
1,238.07 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	(£299,769,933)	(£258,083,662)	(£216,397,704)	(£176,607,819)	(£139,597,991)	(£104,818,097)	(£71,824,749)	(£40,173,751)	(£9,521,516)
1,250.09 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	(£313,378,381)	(£271,692,110)	(£230,005,839)	(£189,441,910)	(£151,593,318)	(£116,193,726)	(£82,653,478)	(£50,468,841)	(£19,594,858)
1,262.11 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	(£326,986,829)	(£285,300,558)	(£243,614,288)	(£202,356,853)	(£163,738,309)	(£127,653,048)	(£93,499,226)	(£60,945,582)	(£29,818,926)
1,274.13 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	(£340,595,277)	(£298,909,007)	(£257,222,736)	(£215,572,106)	(£176,035,094)	(£139,216,533)	(£104,549,308)	(£71,630,526)	(£40,072,224)
1,286.15 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v15****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v15**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£122,195,423 (£105,000,000)	£148,635,019 (£105,000,000)	£174,402,270 (£105,000,000)	£199,756,868 (£105,000,000)	£224,842,787 (£105,000,000)	£249,418,564 (£105,000,000)
£113,334,821 (£105,000,000)	£139,823,142 (£105,000,000)	£165,873,036 (£105,000,000)	£191,268,391 (£105,000,000)	£216,508,545 (£105,000,000)	£241,238,965 (£105,000,000)
£104,378,372 (£105,000,000)	£130,971,439 (£105,000,000)	£157,258,546 (£105,000,000)	£182,779,914 (£105,000,000)	£208,112,268 (£105,000,000)	£233,011,471 (£105,000,000)
£95,306,460 (£105,000,000)	£122,119,736 (£105,000,000)	£148,552,260 (£105,000,000)	£174,291,437 (£105,000,000)	£199,646,036 (£105,000,000)	£224,720,823 (£105,000,000)
£86,109,189 (£105,000,000)	£113,263,533 (£105,000,000)	£139,747,455 (£105,000,000)	£165,772,713 (£105,000,000)	£191,157,559 (£105,000,000)	£216,388,799 (£105,000,000)
£76,843,334 (£105,000,000)	£104,323,397 (£105,000,000)	£130,895,753 (£105,000,000)	£157,167,579 (£105,000,000)	£182,669,082 (£105,000,000)	£207,998,297 (£105,000,000)
£67,577,479 (£105,000,000)	£95,262,664 (£105,000,000)	£122,044,050 (£105,000,000)	£148,469,501 (£105,000,000)	£174,180,605 (£105,000,000)	£199,535,203 (£105,000,000)
£58,289,744 (£105,000,000)	£86,078,681 (£105,000,000)	£113,192,245 (£105,000,000)	£139,671,769 (£105,000,000)	£165,669,258 (£105,000,000)	£191,046,726 (£105,000,000)
£48,868,764 (£105,000,000)	£76,812,826 (£105,000,000)	£104,264,558 (£105,000,000)	£130,820,066 (£105,000,000)	£157,073,982 (£105,000,000)	£182,558,250 (£105,000,000)
£39,330,935 (£105,000,000)	£67,546,971 (£105,000,000)	£95,218,869 (£105,000,000)	£121,968,363 (£105,000,000)	£148,385,768 (£105,000,000)	£174,069,773 (£105,000,000)
£29,675,037 (£105,000,000)	£58,269,826 (£105,000,000)	£86,045,989 (£105,000,000)	£113,116,661 (£105,000,000)	£139,596,083 (£105,000,000)	£165,565,579 (£105,000,000)
£19,942,413 (£105,000,000)	£48,867,160 (£105,000,000)	£76,782,317 (£105,000,000)	£104,205,719 (£105,000,000)	£130,744,380 (£105,000,000)	£156,980,040 (£105,000,000)
£10,209,788 (£105,000,000)	£39,341,921 (£105,000,000)	£67,516,462 (£105,000,000)	£95,172,269 (£105,000,000)	£121,892,677 (£105,000,000)	£148,300,414 (£105,000,000)
£444,042 (£105,000,000)	£29,699,759 (£105,000,000)	£58,245,746 (£105,000,000)	£86,012,332 (£105,000,000)	£113,040,974 (£105,000,000)	£139,520,058 (£105,000,000)
(£9,455,872) (£105,000,000)	£19,969,870 (£105,000,000)	£48,862,393 (£105,000,000)	£76,751,808 (£105,000,000)	£104,144,130 (£105,000,000)	£130,668,693 (£105,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v16

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£250,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v16****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m ²	Sales Rate m ²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v16**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	75,000,000		
Fixed Price (300 Ha @ 250,000.00 /Hect)		75,000,000	75,000,000
Stamp Duty		3,741,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,125,000	
Legal Fee	1%	562,500	
			5,428,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v16**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327
PROFESSIONAL FEES				
Professional Fees		10%	77,112,717	
				77,112,717
DISPOSAL FEES				
Marketing & Sales Agent Fees			36,205,305	
Sales Legal Fee	5,500.00 un	3% 750 /un	4,125,000	
				40,330,305
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	19,494,644	
Market Profit		15%	181,026,525	
				204,590,309
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			50,347,291	
Construction			43,428,204	
Total Finance Cost				93,775,495
TOTAL COSTS				1,471,213,652
PROFIT				91,342,122

Performance Measures**This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v16**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²							
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£51,628,036)	(£19,050,850)	£12,161,850	£42,188,035	£71,543,099	£99,864,441	£127,534,698	£154,425,124	£180,744,978
1,117.87 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-6.000%	(£62,512,324)	(£29,518,618)	£1,991,698	£32,453,789	£62,008,814	£90,598,586	£118,567,956	£145,573,421	£172,183,639
1,129.89 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-5.000%	(£73,653,284)	(£40,202,100)	(£8,261,599)	£22,623,002	£52,350,394	£81,328,351	£109,469,390	£136,721,719	£163,521,555
1,141.91 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-4.000%	(£85,065,274)	(£51,030,145)	(£18,530,955)	£12,642,004	£42,617,769	£71,941,275	£100,236,209	£127,865,782	£154,749,918
1,153.93 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-3.000%	(£96,531,063)	(£61,886,121)	(£28,964,077)	£2,495,503	£32,885,145	£62,421,577	£90,970,354	£118,915,320	£145,900,012
1,165.95 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-2.000%	(£108,238,946)	(£72,973,379)	(£39,611,835)	(£7,757,794)	£23,078,495	£52,778,912	£81,704,499	£109,831,341	£137,048,309
1,177.97 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
-1.000%	(£120,311,220)	(£84,348,736)	(£50,432,253)	(£18,016,627)	£13,118,736	£43,047,503	£72,338,784	£100,607,978	£128,196,606
1,189.99 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
0.000%	(£132,471,358)	(£95,808,058)	(£61,269,670)	(£28,414,660)	£2,994,529	£33,314,879	£62,833,427	£91,342,122	£119,262,685
1,202.01 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+1.000%	(£144,986,702)	(£107,435,488)	(£72,303,690)	(£39,027,204)	(£7,253,990)	£23,528,284	£53,204,318	£82,076,267	£110,193,134
1,214.03 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+2.000%	(£157,864,271)	(£119,446,264)	(£83,632,199)	(£49,834,362)	(£17,507,287)	£13,592,821	£43,477,237	£72,735,328	£100,979,746
1,226.05 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+3.000%	(£170,859,693)	(£131,591,255)	(£95,091,521)	(£60,663,091)	(£27,870,997)	£3,492,530	£33,744,613	£63,245,095	£91,713,891
1,238.07 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+4.000%	(£184,255,266)	(£143,980,164)	(£106,650,971)	(£71,644,295)	(£38,447,662)	(£6,750,185)	£23,977,039	£53,629,725	£82,448,036
1,250.09 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+5.000%	(£197,863,715)	(£156,815,199)	(£118,581,308)	(£82,915,958)	(£49,236,470)	(£17,003,482)	£14,062,899	£43,906,971	£73,127,878
1,262.11 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+6.000%	(£211,472,163)	(£169,744,739)	(£130,726,299)	(£94,374,983)	(£60,065,200)	(£27,334,396)	£3,985,388	£34,174,347	£63,652,253
1,274.13 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)
+7.000%	(£225,080,611)	(£183,007,073)	(£143,007,076)	(£105,883,271)	(£70,995,303)	(£37,873,504)	(£6,246,380)	£24,419,808	£54,053,218
1,286.15 /m ²	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)	(£75,000,000)

Sensitivity Analysis : Assumptions for Calculation

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v16****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v16**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£206,505,296 (£75,000,000)	£231,972,720 (£75,000,000)	£256,885,946 (£75,000,000)	£281,468,617 (£75,000,000)	£305,515,862 (£75,000,000)	£329,447,763 (£75,000,000)
£198,016,819 (£75,000,000)	£223,646,742 (£75,000,000)	£248,711,841 (£75,000,000)	£273,417,135 (£75,000,000)	£297,609,706 (£75,000,000)	£321,571,008 (£75,000,000)
£189,528,342 (£75,000,000)	£215,262,001 (£75,000,000)	£240,515,519 (£75,000,000)	£265,310,661 (£75,000,000)	£289,689,081 (£75,000,000)	£313,664,852 (£75,000,000)
£181,039,865 (£75,000,000)	£206,796,740 (£75,000,000)	£232,250,697 (£75,000,000)	£257,150,049 (£75,000,000)	£281,716,436 (£75,000,000)	£305,758,696 (£75,000,000)
£172,488,857 (£75,000,000)	£198,308,263 (£75,000,000)	£223,929,273 (£75,000,000)	£248,975,943 (£75,000,000)	£273,673,352 (£75,000,000)	£297,852,540 (£75,000,000)
£163,837,370 (£75,000,000)	£189,819,787 (£75,000,000)	£215,550,308 (£75,000,000)	£240,785,605 (£75,000,000)	£265,571,147 (£75,000,000)	£289,934,713 (£75,000,000)
£155,074,289 (£75,000,000)	£181,331,310 (£75,000,000)	£207,088,185 (£75,000,000)	£232,528,673 (£75,000,000)	£257,414,151 (£75,000,000)	£281,964,255 (£75,000,000)
£146,226,602 (£75,000,000)	£172,793,862 (£75,000,000)	£198,599,708 (£75,000,000)	£224,209,731 (£75,000,000)	£249,240,046 (£75,000,000)	£273,927,337 (£75,000,000)
£137,374,899 (£75,000,000)	£164,151,557 (£75,000,000)	£190,111,231 (£75,000,000)	£215,837,149 (£75,000,000)	£241,055,691 (£75,000,000)	£265,831,632 (£75,000,000)
£128,523,197 (£75,000,000)	£155,398,660 (£75,000,000)	£181,622,754 (£75,000,000)	£207,379,629 (£75,000,000)	£232,806,650 (£75,000,000)	£257,678,253 (£75,000,000)
£119,606,447 (£75,000,000)	£146,553,193 (£75,000,000)	£173,095,817 (£75,000,000)	£198,891,153 (£75,000,000)	£224,490,043 (£75,000,000)	£249,504,148 (£75,000,000)
£110,551,615 (£75,000,000)	£137,701,490 (£75,000,000)	£164,465,744 (£75,000,000)	£190,402,676 (£75,000,000)	£216,123,661 (£75,000,000)	£241,323,651 (£75,000,000)
£101,351,514 (£75,000,000)	£128,849,787 (£75,000,000)	£155,722,913 (£75,000,000)	£181,914,199 (£75,000,000)	£207,671,074 (£75,000,000)	£233,082,173 (£75,000,000)
£92,085,659 (£75,000,000)	£119,949,885 (£75,000,000)	£146,879,783 (£75,000,000)	£173,397,771 (£75,000,000)	£199,182,597 (£75,000,000)	£224,770,355 (£75,000,000)
£82,819,804 (£75,000,000)	£110,910,097 (£75,000,000)	£138,028,080 (£75,000,000)	£164,778,789 (£75,000,000)	£190,694,120 (£75,000,000)	£216,410,173 (£75,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option Base Appraisal v17

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£300,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v17****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m ²	Sales Rate m ²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option****Base Appraisal v17**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	90,000,000		
Fixed Price (300 Ha @ 300,000.00 /Hect)		90,000,000	90,000,000
Stamp Duty		4,491,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,350,000	
Legal Fee	1%	675,000	
			6,516,000

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

This appraisal report does not constitute a formal valuation.

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v17**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327
PROFESSIONAL FEES				
Professional Fees		10%	77,112,717	
				77,112,717
DISPOSAL FEES				
Marketing & Sales Agent Fees			36,205,305	
Sales Legal Fee	5,500.00 un	3% 750 /un	4,125,000	
				40,330,305
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	19,494,644	
Market Profit		15%	181,026,525	
				204,590,309
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			64,047,480	
Construction			43,428,204	
Total Finance Cost				107,475,684
TOTAL COSTS				1,501,001,342
PROFIT				61,554,433

Performance Measures**This appraisal report does not constitute a formal valuation.**

**Eastleigh BC - Strategic Growth Option
Base Appraisal v17**

Table of Profit Amount and Land Cost

		Sales: Rate /m ²								
Construction: Rate /m ²		-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	1,117.87 /m ²	(£87,737,577)	(£53,452,135)	(£20,735,022)	£10,594,981	£40,827,264	£70,326,731	£98,837,012	£126,787,302	£153,798,094
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-6.000%	1,129.89 /m ²	(£99,246,430)	(£64,383,538)	(£31,273,532)	£365,459	£31,056,588	£60,710,719	£89,571,157	£117,695,832	£144,946,391
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-5.000%	1,141.91 /m ²	(£111,073,750)	(£75,583,355)	(£42,025,514)	(£9,887,838)	£21,146,691	£50,989,623	£80,222,751	£108,474,636	£136,088,122
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-4.000%	1,153.93 /m ²	(£123,200,053)	(£87,021,039)	(£52,854,243)	(£20,201,729)	£11,087,092	£41,256,998	£70,735,687	£99,208,781	£127,134,667
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-3.000%	1,165.95 /m ²	(£135,410,923)	(£98,498,170)	(£63,745,834)	(£30,706,427)	£869,264	£31,499,357	£61,133,460	£89,942,926	£118,057,782
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-2.000%	1,177.97 /m ²	(£148,060,568)	(£110,243,966)	(£74,892,799)	(£41,427,622)	(£9,384,034)	£21,613,401	£51,419,357	£80,615,301	£108,846,404
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
-1.000%	1,189.99 /m ²	(£160,945,707)	(£122,335,097)	(£86,304,502)	(£52,256,352)	(£19,673,913)	£11,573,603	£41,686,732	£71,142,845	£99,580,549
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
0.000%	1,202.01 /m ²	(£174,022,762)	(£134,498,800)	(£97,765,112)	(£63,117,747)	(£30,146,556)	£1,373,068	£31,941,815	£61,554,433	£90,314,694
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+1.000%	1,214.03 /m ²	(£187,509,680)	(£147,019,688)	(£109,433,685)	(£74,212,471)	(£40,830,769)	(£8,880,229)	£22,075,157	£51,849,091	£81,005,329
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+2.000%	1,226.05 /m ²	(£201,118,128)	(£159,896,636)	(£121,470,141)	(£85,587,964)	(£51,658,460)	(£19,153,270)	£12,059,735	£42,116,466	£71,550,003
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+3.000%	1,238.07 /m ²	(£214,726,577)	(£172,879,491)	(£133,615,132)	(£97,047,286)	(£62,499,393)	(£29,591,299)	£1,876,873	£32,378,118	£61,975,406
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+4.000%	1,250.09 /m ²	(£228,335,025)	(£186,246,477)	(£146,013,002)	(£108,639,578)	(£73,542,094)	(£40,240,505)	(£8,376,424)	£22,535,563	£52,278,825
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+5.000%	1,262.11 /m ²	(£241,943,473)	(£199,854,925)	(£158,847,564)	(£120,605,185)	(£84,871,427)	(£51,060,569)	(£18,637,205)	£12,540,086	£42,546,200
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+6.000%	1,274.13 /m ²	(£255,551,921)	(£213,463,374)	(£171,768,425)	(£132,750,175)	(£96,330,749)	(£61,890,572)	(£29,040,968)	£2,380,677	£32,813,576
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)
+7.000%	1,286.15 /m ²	(£269,160,370)	(£227,071,822)	(£185,007,258)	(£145,038,957)	(£107,864,894)	(£72,881,742)	(£39,656,010)	(£7,872,620)	£22,991,056
		(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)	(£90,000,000)

Sensitivity Analysis : Assumptions for Calculation

This appraisal report does not constitute a formal valuation.

**Eastleigh BC - Strategic Growth Option
Base Appraisal v17****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

This appraisal report does not constitute a formal valuation.

SENSITIVITY ANALYSIS REPORT**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v17**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£180,459,913 (£90,000,000)	£206,343,880 (£90,000,000)	£232,042,339 (£90,000,000)	£257,238,243 (£90,000,000)	£281,985,857 (£90,000,000)	£306,311,381 (£90,000,000)
£171,770,651 (£90,000,000)	£197,855,403 (£90,000,000)	£223,610,670 (£90,000,000)	£248,989,847 (£90,000,000)	£273,860,211 (£90,000,000)	£298,335,983 (£90,000,000)
£162,976,387 (£90,000,000)	£189,352,875 (£90,000,000)	£215,123,802 (£90,000,000)	£240,678,477 (£90,000,000)	£265,690,767 (£90,000,000)	£290,312,762 (£90,000,000)
£154,124,684 (£90,000,000)	£180,768,248 (£90,000,000)	£206,635,325 (£90,000,000)	£232,327,256 (£90,000,000)	£257,507,648 (£90,000,000)	£282,244,119 (£90,000,000)
£145,272,982 (£90,000,000)	£172,087,574 (£90,000,000)	£198,146,848 (£90,000,000)	£223,900,620 (£90,000,000)	£249,265,334 (£90,000,000)	£274,122,581 (£90,000,000)
£136,419,111 (£90,000,000)	£163,302,978 (£90,000,000)	£189,650,339 (£90,000,000)	£215,415,246 (£90,000,000)	£240,958,789 (£90,000,000)	£265,954,869 (£90,000,000)
£127,482,032 (£90,000,000)	£154,451,275 (£90,000,000)	£181,076,584 (£90,000,000)	£206,926,769 (£90,000,000)	£232,611,853 (£90,000,000)	£257,774,821 (£90,000,000)
£118,416,858 (£90,000,000)	£145,599,572 (£90,000,000)	£172,404,497 (£90,000,000)	£198,438,293 (£90,000,000)	£224,190,570 (£90,000,000)	£249,540,821 (£90,000,000)
£109,218,172 (£90,000,000)	£136,747,869 (£90,000,000)	£163,628,501 (£90,000,000)	£189,945,434 (£90,000,000)	£215,706,691 (£90,000,000)	£241,239,102 (£90,000,000)
£99,952,317 (£90,000,000)	£127,825,600 (£90,000,000)	£154,777,865 (£90,000,000)	£181,382,547 (£90,000,000)	£207,218,214 (£90,000,000)	£232,896,451 (£90,000,000)
£90,686,462 (£90,000,000)	£118,775,340 (£90,000,000)	£145,926,163 (£90,000,000)	£172,721,420 (£90,000,000)	£198,729,737 (£90,000,000)	£224,480,520 (£90,000,000)
£81,392,803 (£90,000,000)	£109,589,941 (£90,000,000)	£137,074,460 (£90,000,000)	£163,952,872 (£90,000,000)	£190,240,530 (£90,000,000)	£215,998,135 (£90,000,000)
£71,953,350 (£90,000,000)	£100,324,085 (£90,000,000)	£128,169,038 (£90,000,000)	£155,104,456 (£90,000,000)	£181,687,765 (£90,000,000)	£207,509,658 (£90,000,000)
£62,393,311 (£90,000,000)	£91,058,230 (£90,000,000)	£119,133,107 (£90,000,000)	£146,252,753 (£90,000,000)	£173,036,664 (£90,000,000)	£199,021,182 (£90,000,000)
£52,708,559 (£90,000,000)	£81,775,914 (£90,000,000)	£109,960,993 (£90,000,000)	£137,401,050 (£90,000,000)	£164,277,243 (£90,000,000)	£190,532,705 (£90,000,000)

This appraisal report does not constitute a formal valuation.

Eastleigh BC - Strategic Growth Option
Base Appraisal v18

5,500 Unit Residential Greenfield
35% Affordable Housing
Nil CIL
15% Profit Private / 6% Profit AH
£350,000/ha Land

Development Appraisal
Prepared by DSP
Dixon Searle Partnership
18 October 2018

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v18****Appraisal Summary for Phase 1 All Phases**

Currency in £

REVENUE

Sales Valuation	Units	m ²	Sales Rate m ²	Unit Price	Gross Sales	Adjustment	Net Sales
Market Housing	3,575	321,821.50	3,750.04	337,579	1,206,843,498	0	1,206,843,498
Affordable Housing	1,925	173,288.50	1,874.97	168,785	324,910,739	0	324,910,739
Employment Land - 6.67ha	1	0.00	0.00	6,670,000	6,670,000	0	6,670,000
Mixed Use - 7.94ha	<u>3</u>	<u>0.00</u>	0.00	2,646,667	<u>7,940,000</u>	<u>0</u>	<u>7,940,000</u>
Totals	5,504	495,110.00			1,546,364,237	0	1,546,364,237

Rental Area Summary

	Units	m ²	Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Residential Ground Rents	780			300	234,000	234,000
Retail - Foodstore	1	1,672.25	215.28	360,002	360,002	360,002
Retail - Comparison / Convenience	<u>1</u>	<u>2,229.67</u>	161.46	360,003	<u>360,003</u>	<u>360,003</u>
Totals	782	3,901.92			954,004	954,004

Investment Valuation**Residential Ground Rents**

Current Rent	234,000	YP @	5.0000%	20.0000	4,680,000
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Retail - Foodstore

Market Rent	360,002	YP @	5.0000%	20.0000	
(1yr Rent Free)		PV 1yr @	5.0000%	0.9524	6,857,181

Retail - Comparison / Convenience

Market Rent	360,003	YP @	6.0000%	16.6667	
(1yr Rent Free)		PV 1yr @	6.0000%	0.9434	5,660,417

Total Investment Valuation**17,197,598****GROSS DEVELOPMENT VALUE****1,563,561,834****This appraisal report does not constitute a formal valuation.**

APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v18**

Purchaser's Costs	6%	1,006,059	
Effective Purchaser's Costs Rate	6%		1,006,059

NET DEVELOPMENT VALUE **1,562,555,775****NET REALISATION** **1,562,555,775****OUTLAY****ACQUISITION COSTS**

Fixed Price	105,000,000		
Fixed Price (300 Ha @ 350,000.00 /Hect)		105,000,000	105,000,000
Stamp Duty		5,241,000	
Effective Stamp Duty Rate	4.99%		
Agent Fee	2%	1,575,000	
Legal Fee	1%	787,500	
			7,603,500

CONSTRUCTION COSTS

Construction	Units	Unit Amount	Cost
Employment Land - 6.67ha	1 un	3,668,500	3,668,500
Serviced School Land - 21ha	1 un	11,550,000	11,550,000
Mixed Use - 7.94ha	3 un	1,455,667	4,367,000
Totals			19,585,500
	m²	Build Rate m²	Cost
Retail - Foodstore	2,322.58	1,560.77	3,625,013
Retail - Comparison / Convenience	3,096.74	1,022.57	3,166,633
Market Housing	321,821.50	1,202.01	386,832,661
Affordable Housing	173,288.50	1,202.01	208,294,510
Totals	500,529.32 m²		601,918,818
Contingency		5%	31,075,216
Site Works & Infrastructure	5,500.00 un	32,000 /un	176,000,000
Sustainable Design & Construction		2%	11,902,543
Part M4(2) - 80%	3,575.00 un	1,511 /un	5,401,825
Part M4(3) - 7% Market Housing	3,575.00 un	1,401 /un	5,008,575
Part M4(3) - 8% AH	1,925.00 un	1,602 /un	3,083,850

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APPRAISAL SUMMARY**DIXON SEARLE PARTNERSHIP****Eastleigh BC - Strategic Growth Option
Base Appraisal v18**

Off Site Highways			51,600,000	
Education Provision			51,000,000	
M3 Junction 12			10,100,000	
Environmental & Local Infrastruc			8,300,000	
				974,976,327
PROFESSIONAL FEES				
Professional Fees		10%	77,112,717	
				77,112,717
DISPOSAL FEES				
Marketing & Sales Agent Fees			3%	36,205,305
Sales Legal Fee	5,500.00 un	750 /un	4,125,000	
				40,330,305
MISCELLANEOUS FEES				
Employment Land Profit		15%	4,069,140	
AH Profit		6%	19,494,644	
Market Profit		15%	181,026,525	
				204,590,309
FINANCE				
Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			78,990,384	
Construction			43,428,204	
Total Finance Cost				122,418,588
TOTAL COSTS				1,532,031,745
PROFIT				30,524,029

Performance Measures

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v18**

Table of Profit Amount and Land Cost

Sales: Rate /m ²									
Construction: Rate /m ²	-350.00 /m ²	-300.00 /m ²	-250.00 /m ²	-200.00 /m ²	-150.00 /m ²	-100.00 /m ²	-50.00 /m ²	0.00 /m ²	+50.00 /m ²
-7.000%	(£126,088,886)	(£89,693,343)	(£55,279,163)	(£22,442,649)	£8,992,517	£39,458,774	£69,055,648	£97,809,584	£125,922,273
1,117.87 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-6.000%	(£138,384,712)	(£101,227,200)	(£66,268,212)	(£33,051,009)	(£1,260,780)	£29,615,515	£59,361,476	£88,493,370	£116,713,062
1,129.89 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-5.000%	(£151,142,005)	(£113,088,665)	(£77,523,620)	(£43,849,613)	(£11,517,862)	£19,631,148	£49,628,852	£79,039,699	£107,447,207
1,141.91 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-4.000%	(£164,038,775)	(£125,223,930)	(£88,976,805)	(£54,678,342)	(£21,898,986)	£9,493,034	£39,895,077	£69,473,714	£98,181,352
1,153.93 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-3.000%	(£177,208,494)	(£137,441,020)	(£100,469,352)	(£65,619,780)	(£32,474,296)	(£756,976)	£30,071,009	£59,791,210	£88,880,845
1,165.95 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-2.000%	(£190,764,094)	(£150,092,934)	(£112,253,188)	(£76,823,036)	(£43,251,721)	(£11,010,273)	£20,107,308	£50,058,586	£79,442,052
1,177.97 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
-1.000%	(£204,372,542)	(£162,978,073)	(£124,358,974)	(£88,260,267)	(£54,080,451)	(£21,360,203)	£9,991,036	£40,325,961	£69,890,145
1,189.99 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
0.000%	(£217,980,990)	(£176,035,222)	(£136,526,243)	(£99,727,943)	(£64,980,599)	(£31,901,972)	(£253,171)	£30,524,029	£60,220,944
1,202.01 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+1.000%	(£231,589,438)	(£189,500,891)	(£149,052,673)	(£111,434,072)	(£76,132,313)	(£42,653,830)	(£10,506,469)	£20,581,392	£50,488,320
1,214.03 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+2.000%	(£245,197,887)	(£203,109,339)	(£161,929,001)	(£123,494,017)	(£87,543,730)	(£53,482,559)	(£20,825,570)	£10,486,395	£40,755,695
1,226.05 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+3.000%	(£258,806,335)	(£216,717,787)	(£174,899,289)	(£135,639,288)	(£99,003,052)	(£64,350,761)	(£31,334,868)	£250,633	£30,973,162
1,238.07 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+4.000%	(£272,414,783)	(£230,326,236)	(£188,238,001)	(£148,045,839)	(£110,633,734)	(£75,451,564)	(£42,055,938)	(£10,002,664)	£21,051,849
1,250.09 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+5.000%	(£286,023,231)	(£243,934,684)	(£201,846,136)	(£160,879,930)	(£122,629,061)	(£86,827,192)	(£52,884,668)	(£20,297,753)	£10,978,506
1,262.11 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+6.000%	(£299,631,680)	(£257,543,132)	(£215,454,585)	(£173,794,873)	(£134,774,052)	(£98,286,514)	(£63,730,415)	(£30,774,494)	£754,438
1,274.13 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)
+7.000%	(£313,240,128)	(£271,151,580)	(£229,063,033)	(£187,010,126)	(£147,070,838)	(£109,849,999)	(£74,780,498)	(£41,459,439)	(£9,498,859)
1,286.15 /m ²	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)	(£105,000,000)

Sensitivity Analysis : Assumptions for Calculation

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v18****Sales: Rate /m²**

Original Values are varied in Fixed Steps of £50.00

Heading	Phase	Rate	No. of Steps
Market Housing	1	£3,750.04	7.00 Up & Down
Affordable Housing	1	£1,874.97	7.00 Up & Down

Construction: Rate /m²

Original Values are varied by Steps of 1.000%.

Heading	Phase	Rate	No. of Steps
Market Housing	1	£1,202.01	7.00 Up & Down
Affordable Housing	1	£1,202.01	7.00 Up & Down
Retail - Foodstore	1	£1,560.77	7.00 Up & Down
Retail - Comparison / Convenience	1	£1,022.57	7.00 Up & Down

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**Eastleigh BC - Strategic Growth Option
Base Appraisal v18**

+100.00 /m ²	+150.00 /m ²	+200.00 /m ²	+250.00 /m ²	+300.00 /m ²	+350.00 /m ²
£153,171,064 (£105,000,000)	£180,012,937 (£105,000,000)	£206,182,465 (£105,000,000)	£231,939,340 (£105,000,000)	£257,427,536 (£105,000,000)	£282,405,590 (£105,000,000)
£144,310,462 (£105,000,000)	£171,201,060 (£105,000,000)	£197,653,231 (£105,000,000)	£223,450,863 (£105,000,000)	£249,093,294 (£105,000,000)	£274,225,990 (£105,000,000)
£135,354,013 (£105,000,000)	£162,349,357 (£105,000,000)	£189,038,741 (£105,000,000)	£214,962,386 (£105,000,000)	£240,697,017 (£105,000,000)	£265,998,496 (£105,000,000)
£126,282,101 (£105,000,000)	£153,497,654 (£105,000,000)	£180,332,455 (£105,000,000)	£206,473,909 (£105,000,000)	£232,230,784 (£105,000,000)	£257,707,848 (£105,000,000)
£117,084,831 (£105,000,000)	£144,641,451 (£105,000,000)	£171,527,650 (£105,000,000)	£197,955,185 (£105,000,000)	£223,742,307 (£105,000,000)	£249,375,825 (£105,000,000)
£107,818,976 (£105,000,000)	£135,701,315 (£105,000,000)	£162,675,948 (£105,000,000)	£189,350,050 (£105,000,000)	£215,253,831 (£105,000,000)	£240,985,323 (£105,000,000)
£98,553,120 (£105,000,000)	£126,640,582 (£105,000,000)	£153,824,245 (£105,000,000)	£180,651,973 (£105,000,000)	£206,765,354 (£105,000,000)	£232,522,229 (£105,000,000)
£89,265,385 (£105,000,000)	£117,456,599 (£105,000,000)	£144,972,440 (£105,000,000)	£171,854,241 (£105,000,000)	£198,254,007 (£105,000,000)	£224,033,752 (£105,000,000)
£79,844,406 (£105,000,000)	£108,190,744 (£105,000,000)	£136,044,753 (£105,000,000)	£163,002,538 (£105,000,000)	£189,658,731 (£105,000,000)	£215,545,275 (£105,000,000)
£70,306,576 (£105,000,000)	£98,924,889 (£105,000,000)	£126,999,064 (£105,000,000)	£154,150,835 (£105,000,000)	£180,970,517 (£105,000,000)	£207,056,798 (£105,000,000)
£60,650,678 (£105,000,000)	£89,647,744 (£105,000,000)	£117,826,184 (£105,000,000)	£145,299,133 (£105,000,000)	£172,180,831 (£105,000,000)	£198,552,605 (£105,000,000)
£50,918,054 (£105,000,000)	£80,245,079 (£105,000,000)	£108,562,512 (£105,000,000)	£136,388,191 (£105,000,000)	£163,329,129 (£105,000,000)	£189,967,066 (£105,000,000)
£41,185,429 (£105,000,000)	£70,719,839 (£105,000,000)	£99,296,657 (£105,000,000)	£127,354,741 (£105,000,000)	£154,477,426 (£105,000,000)	£181,287,440 (£105,000,000)
£31,419,683 (£105,000,000)	£61,077,677 (£105,000,000)	£90,025,941 (£105,000,000)	£118,194,803 (£105,000,000)	£145,625,723 (£105,000,000)	£172,507,083 (£105,000,000)
£21,519,769 (£105,000,000)	£51,347,788 (£105,000,000)	£80,642,588 (£105,000,000)	£108,934,280 (£105,000,000)	£136,728,878 (£105,000,000)	£163,655,719 (£105,000,000)

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