

## **Appendix IV**

### **Summary of Residual Land Value Results – Comparison of 15% and 20% Developer's Profit With and Without Grant**

**Table 9: Summary of Land Residual Value (£) Appraisals for 15% & 20% Developer Profit**

Development Scenario / Threshold	Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable 80%AR / 20%SO	Residual Land Value - 20% Affordable 60%AR / 40%SO	Residual Land Value - 30% Affordable 80%AR / 20%SO	Residual Land Value - 30% Affordable 60%AR / 40%SO	Residual Land Value - 40% Affordable 80%AR / 20%SO	Residual Land Value - 40% Affordable 60%AR / 40%SO	Residual Land Value - 50% Affordable 80%AR / 20%SO	Residual Land Value - 50% Affordable 60%AR / 40%SO	
<b>Planning Infrastructure</b>		<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	<b>£20,000</b>	
<b>15 Unit Housing Scheme</b>	<b>15 % Developer Profit</b>	1	£0	£0	£0	£0	£0	£0	£0	£0	
		2	£28,914	£0	£0	£0	£0	£0	£0	£0	
		3	£475,152	£217,114	£217,114	£94,898	£124,623	£0	£0	£0	£0
		4	£912,749	£589,817	£589,817	£445,965	£481,463	£233,877	£269,666	£81,604	£163,485
		5	£1,355,245	£969,461	£969,461	£791,995	£843,288	£532,383	£583,676	£358,614	£462,270
		6	£1,797,740	£1,349,104	£1,349,104	£1,142,983	£1,205,113	£838,337	£900,467	£632,216	£756,476
		7	£2,240,236	£1,729,108	£1,729,108	£1,493,971	£1,567,661	£1,144,291	£1,217,981	£909,155	£1,056,533
	<b>20% Developer Profit</b>	1	£0	£0	£0	£0	£0	£0	£0	£0	£0
		2	£0	£0	£0	£0	£0	£0	£0	£0	£0
		3	£341,288	£97,504	£97,504	£0	£6,537	£0	£0	£0	£0
		4	£753,768	£454,863	£454,863	£311,576	£349,664	£113,422	£151,160	£0	£44,234
		5	£1,169,767	£807,084	£807,084	£637,621	£685,843	£400,306	£449,030	£233,801	£326,526
		6	£1,585,766	£1,163,994	£1,163,994	£967,217	£1,025,627	£683,813	£742,222	£487,036	£603,855
		7	£2,001,765	£1,521,244	£1,521,244	£1,296,814	£1,366,091	£971,446	£1,040,723	£747,016	£885,569
<b>50 Unit Mixed Scheme</b>	<b>15 % Developer Profit</b>	1	-	-	-	£0	£0	£0	£0	£0	
		2	-	-	-	£0	£0	£0	£0	£0	
		3	-	-	-	£0	£0	£0	£0	£0	
		4	-	-	-	£676,282	£768,741	£198,673	£319,222	£0	£0
		5	-	-	-	£1,638,461	£1,759,368	£1,057,970	£1,219,180	£520,830	£722,342
		6	-	-	-	£2,600,639	£2,749,995	£1,922,949	£2,122,090	£1,296,059	£1,544,986
		7	-	-	-	£3,563,156	£3,739,945	£2,788,943	£3,024,662	£2,071,966	£2,366,614
	<b>20% Developer Profit</b>	1	-	-	-	£0	£0	£0	£0	£0	£0
		2	-	-	-	£0	£0	£0	£0	£0	£0
		3	-	-	-	£0	£0	£0	£0	£0	£0
		4	-	-	-	£316,329	£404,156	£0	£0	£0	£0
		5	-	-	-	£1,217,630	£1,331,298	£671,900	£823,456	£172,140	£360,081
		6	-	-	-	£2,122,193	£2,262,606	£1,485,083	£1,672,300	£895,732	£1,129,753
		7	-	-	-	£3,027,075	£3,193,278	£2,299,222	£2,520,825	£1,625,177	£1,902,182

Source: Adams Integra, July 2008

**Table 9a: Summary of Land Residual Value (%) Appraisals for 15% & 20% Developer Profit**

Development Scenario / Threshold		Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable 80%AR / 20%SO	Residual Land Value - 20% Affordable 60%AR / 40%SO	Residual Land Value - 30% Affordable 80%AR / 20%SO	Residual Land Value - 30% Affordable 60%AR / 40%SO	Residual Land Value - 40% Affordable 80%AR / 20%SO	Residual Land Value - 40% Affordable 60%AR / 40%SO	Residual Land Value - 50% Affordable 80%AR / 20%SO	Residual Land Value - 50% Affordable 60%AR / 40%SO
Planning Infrastructure			£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000
15 Unit Housing Scheme	15 % Developer Profit	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		2	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		3	15.5%	8.0%	8.0%	3.7%	4.8%	0.0%	0.0%	0.0%	0.0%
		4	24.8%	18.3%	18.3%	14.5%	15.4%	8.6%	9.7%	3.2%	6.1%
		5	31.6%	25.8%	25.8%	22.2%	23.2%	16.9%	18.1%	12.1%	14.9%
		6	36.7%	31.5%	31.5%	28.1%	29.0%	23.5%	24.6%	18.8%	21.4%
		7	40.6%	36.0%	36.0%	32.8%	33.6%	28.6%	29.7%	24.3%	26.7%
	20% Developer Profit	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		3	11.1%	3.6%	3.6%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
		4	20.5%	14.1%	14.1%	10.1%	11.2%	4.2%	5.4%	0.0%	1.6%
		5	27.3%	21.5%	21.5%	17.9%	18.8%	12.7%	13.9%	7.9%	10.5%
		6	32.4%	27.2%	27.2%	23.8%	24.7%	19.1%	20.3%	14.5%	17.1%
		7	36.3%	31.7%	31.7%	28.5%	29.3%	24.3%	25.4%	19.9%	22.4%
50 Unit Mixed Scheme	15 % Developer Profit	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		3	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		4	-	-	-	7.6%	8.5%	2.4%	3.8%	0.0%	0.0%
		5	-	-	-	15.8%	16.7%	11.1%	12.5%	6.0%	8.0%
		6	-	-	-	22.0%	22.9%	17.8%	19.1%	13.1%	15.1%
		7	-	-	-	27.0%	27.7%	23.1%	24.3%	18.8%	20.7%
	20% Developer Profit	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		3	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		4	-	-	-	3.5%	4.4%	0.0%	0.0%	0.0%	0.0%
		5	-	-	-	11.7%	12.6%	7.1%	8.4%	2.0%	4.0%
		6	-	-	-	18.0%	18.8%	13.8%	15.1%	9.1%	11.0%
		7	-	-	-	22.9%	23.7%	19.0%	20.3%	14.8%	16.6%

Source: Adams Integra, July 2008

**Table 10: Summary of Land Residual Value (£) Appraisals for 15% & 20% Developer Profit - With Grant**

Development Scenario / Threshold		Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable 80%AR / 20%SO	Residual Land Value - 20% Affordable 60%AR / 40%SO	Residual Land Value - 30% Affordable 80%AR / 20%SO	Residual Land Value - 30% Affordable 60%AR / 40%SO	Residual Land Value - 40% Affordable 80%AR / 20%SO	Residual Land Value - 40% Affordable 60%AR / 40%SO	Residual Land Value - 50% Affordable 80%AR / 20%SO	Residual Land Value - 50% Affordable 60%AR / 40%SO	
Planning Infrastructure			£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	
15 Unit Housing Scheme	15% Developer Profit	Without Grant	1	£0	£0	£0	£0	£0	£0	£0	£0	
			2	£28,914	£0	£0	£0	£0	£0	£0	£0	
			3	£475,152	£217,114	£217,114	£94,898	£124,623	£0	£0	£0	£0
			4	£912,749	£589,817	£589,817	£445,965	£481,463	£233,877	£269,666	£81,604	£163,485
			5	£1,355,245	£969,461	£969,461	£791,995	£843,288	£532,383	£583,676	£358,614	£462,270
			6	£1,797,740	£1,349,104	£1,349,104	£1,142,983	£1,205,113	£838,337	£900,467	£632,216	£756,476
			7	£2,240,236	£1,729,108	£1,729,108	£1,493,971	£1,567,661	£1,144,291	£1,217,981	£909,155	£1,056,533
	15% Developer Profit	With Grant	1	£0	£0	£0	£0	£0	£0	£0	£0	£0
			2	£28,914	£0	£0	£0	£0	£0	£0	£0	£0
			3	£475,152	£272,586	£272,586	£185,958	£184,468	£73,690	£72,185	£0	£0
			4	£912,749	£650,502	£650,502	£532,034	£542,148	£382,081	£392,300	£262,378	£282,817
			5	£1,355,245	£1,029,423	£1,029,423	£881,939	£903,251	£682,290	£703,602	£534,805	£577,429
			6	£1,797,740	£1,409,789	£1,409,789	£1,233,288	£1,265,798	£989,328	£1,021,838	£812,827	£877,846
			7	£2,240,236	£1,789,071	£1,789,071	£1,584,277	£1,627,623	£1,294,559	£1,337,906	£1,089,765	£1,176,458
	20% Developer Profit	Without Grant	1	£0	£0	£0	£0	£0	£0	£0	£0	£0
			2	£0	£0	£0	£0	£0	£0	£0	£0	£0
			3	£341,288	£97,504	£97,504	£0	£6,537	£0	£0	£0	£0
			4	£753,768	£454,863	£454,863	£311,576	£349,664	£113,422	£151,160	£0	£44,234
			5	£1,169,767	£807,084	£807,084	£637,621	£685,843	£400,306	£449,030	£233,801	£326,526
			6	£1,585,766	£1,163,994	£1,163,994	£967,217	£1,025,627	£683,813	£742,222	£487,036	£603,855
			7	£2,001,765	£1,521,244	£1,521,244	£1,296,814	£1,366,091	£971,446	£1,040,723	£747,016	£885,569
	20% Developer Profit	With Grant	1	£0	£0	£0	£0	£0	£0	£0	£0	£0
			2	£0	£0	£0	£0	£0	£0	£0	£0	£0
			3	£341,288	£153,962	£153,962	£65,965	£64,550	£0	£0	£0	£0
			4	£753,768	£507,225	£507,225	£397,702	£407,309	£253,790	£263,398	£141,848	£161,460
			5	£1,169,767	£863,456	£863,456	£722,180	£742,215	£537,109	£557,145	£399,956	£440,445
			6	£1,585,766	£1,221,046	£1,221,046	£1,052,115	£1,082,678	£825,762	£856,325	£656,831	£717,957
			7	£2,001,765	£1,577,616	£1,577,616	£1,381,712	£1,422,463	£1,112,716	£1,153,467	£916,812	£998,314
50 Unit Mixed Scheme	15% Developer Profit	Without Grant	1	-	-	-	£0	£0	£0	£0	£0	
			2	-	-	-	£0	£0	£0	£0	£0	
			3	-	-	-	£0	£0	£0	£0	£0	
			4	-	-	-	£676,282	£768,741	£198,673	£319,222	£0	£0
			5	-	-	-	£1,638,461	£1,759,368	£1,057,970	£1,219,180	£520,830	£722,342
			6	-	-	-	£2,600,639	£2,749,995	£1,922,949	£2,122,090	£1,296,059	£1,544,986
			7	-	-	-	£3,563,156	£3,739,945	£2,788,943	£3,024,662	£2,071,966	£2,366,614
	15% Developer Profit	With Grant	1	-	-	-	£0	£0	£0	£0	£0	£0
			2	-	-	-	£0	£0	£0	£0	£0	£0
			3	-	-	-	£38,751	£29,225	£0	£0	£0	£0
			4	-	-	-	£1,001,411	£1,019,700	£623,787	£648,172	£285,686	£316,484
			5	-	-	-	£1,960,203	£2,007,956	£1,484,363	£1,548,034	£1,052,213	£1,131,801
			6	-	-	-	£2,924,413	£2,999,600	£2,352,390	£2,452,638	£1,831,167	£1,956,477
			7	-	-	-	£3,884,221	£3,987,856	£3,213,981	£3,352,161	£2,602,333	£2,775,057
	20% Developer Profit	Without Grant	1	-	-	-	£0	£0	£0	£0	£0	£0
			2	-	-	-	£0	£0	£0	£0	£0	£0
			3	-	-	-	£0	£0	£0	£0	£0	£0
			4	-	-	-	£316,329	£404,156	£0	£0	£0	£0
			5	-	-	-	£1,217,630	£1,331,298	£871,900	£823,456	£172,140	£360,081
			6	-	-	-	£2,122,193	£2,262,606	£1,485,083	£1,672,300	£895,732	£1,129,753
			7	-	-	-	£3,027,075	£3,193,278	£2,299,222	£2,520,825	£1,625,177	£1,902,182
	20% Developer Profit	With Grant	1	-	-	-	£0	£0	£0	£0	£0	£0
			2	-	-	-	£0	£0	£0	£0	£0	£0
			3	-	-	-	£0	£0	£0	£0	£0	£0
			4	-	-	-	£618,728	£635,921	£266,463	£289,626	£0	£0
			5	-	-	-	£1,520,107	£1,565,000	£1,072,760	£1,132,619	£666,487	£741,310
			6	-	-	-	£2,426,580	£2,497,264	£1,888,809	£1,983,054	£1,398,798	£1,516,604
			7	-	-	-	£3,328,914	£3,426,343	£2,698,809	£2,828,714	£2,123,785	£2,286,167

Source: Adams Integra, July 2008

**Table 10a: Summary of Land Residual Value (£) Appraisals for 15% & 20% Developer Profit - With Grant**

Development Scenario / Threshold			Value Point	Residual Land Value - 0% Affordable	Residual Land Value - 20% Affordable 80%AR / 20%SO	Residual Land Value - 20% Affordable 60%AR / 40%SO	Residual Land Value - 30% Affordable 80%AR / 20%SO	Residual Land Value - 30% Affordable 60%AR / 40%SO	Residual Land Value - 40% Affordable 80%AR / 20%SO	Residual Land Value - 40% Affordable 60%AR / 40%SO	Residual Land Value - 50% Affordable 80%AR / 20%SO	Residual Land Value - 50% Affordable 60%AR / 40%SO	
				£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000
Planning Infrastructure													
15 Unit Housing Scheme	15% Developer Profit	Without Grant	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			2	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			3	15.5%	8.0%	8.0%	3.7%	4.8%	0.0%	0.0%	0.0%	0.0%	
			4	24.8%	18.3%	18.3%	14.5%	15.4%	8.6%	9.7%	3.2%	6.1%	
			5	31.6%	25.8%	25.8%	22.2%	23.2%	16.9%	18.1%	12.1%	14.9%	
			6	36.7%	31.5%	31.5%	28.1%	29.0%	23.5%	24.6%	18.8%	21.4%	
			7	40.6%	36.0%	36.0%	32.8%	33.6%	28.6%	29.7%	24.3%	26.7%	
	15% Developer Profit	With Grant	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			3	15.5%	9.8%	9.8%	6.9%	6.8%	2.9%	2.9%	0.0%	0.0%	
			4	24.8%	19.6%	19.6%	16.6%	16.9%	13.0%	13.3%	9.3%	9.9%	
			5	31.6%	26.8%	26.8%	23.9%	24.3%	20.3%	20.8%	16.6%	17.7%	
			6	36.7%	32.3%	32.3%	29.4%	29.9%	26.2%	26.7%	22.5%	23.8%	
			7	40.6%	36.6%	36.6%	33.8%	34.3%	30.8%	31.4%	27.3%	28.6%	
	20% Developer Profit	Without Grant	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			3	11.1%	3.6%	3.6%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
			4	20.5%	14.1%	14.1%	10.1%	11.2%	4.2%	5.4%	0.0%	1.6%	
			5	27.3%	21.5%	21.5%	17.9%	18.8%	12.7%	13.9%	7.9%	10.5%	
			6	32.4%	27.2%	27.2%	23.8%	24.7%	19.1%	20.3%	14.5%	17.1%	
			7	36.3%	31.7%	31.7%	28.5%	29.3%	24.3%	25.4%	19.9%	22.4%	
	20% Developer Profit	With Grant	1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			3	11.1%	5.5%	5.5%	2.4%	2.4%	0.0%	0.0%	0.0%	0.0%	
			4	20.5%	15.3%	15.3%	12.4%	12.7%	8.6%	8.9%	5.0%	5.7%	
			5	27.3%	22.5%	22.5%	19.6%	19.9%	16.0%	16.5%	12.4%	13.5%	
			6	32.4%	28.0%	28.0%	25.1%	25.6%	21.8%	22.4%	18.2%	19.4%	
			7	36.3%	32.3%	32.3%	29.5%	30.0%	26.5%	27.1%	22.9%	24.2%	
50 Unit Mixed Scheme	15% Developer Profit	Without Grant	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			3	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			4	-	-	-	7.6%	8.5%	2.4%	3.8%	0.0%	0.0%	
			5	-	-	-	15.8%	16.7%	11.1%	12.5%	6.0%	8.0%	
			6	-	-	-	22.0%	22.9%	17.8%	19.1%	13.1%	15.1%	
			7	-	-	-	27.0%	27.7%	23.1%	24.3%	18.8%	20.7%	
	15% Developer Profit	With Grant	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			3	-	-	-	0.5%	0.4%	0.0%	0.0%	0.0%	0.0%	
			4	-	-	-	10.6%	10.8%	7.0%	7.3%	3.4%	3.8%	
			5	-	-	-	18.1%	18.4%	14.6%	15.1%	11.1%	11.8%	
			6	-	-	-	23.8%	24.2%	20.6%	21.2%	17.2%	18.0%	
			7	-	-	-	28.4%	28.8%	25.3%	26.0%	22.1%	23.0%	
	20% Developer Profit	Without Grant	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			3	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			4	-	-	-	3.5%	4.4%	0.0%	0.0%	0.0%	0.0%	
			5	-	-	-	11.7%	12.6%	7.1%	8.4%	2.0%	4.0%	
			6	-	-	-	18.0%	18.8%	13.8%	15.1%	9.1%	11.0%	
			7	-	-	-	22.9%	23.7%	19.0%	20.3%	14.8%	16.6%	
	20% Developer Profit	With Grant	1	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
			2	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			3	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
			4	-	-	-	6.6%	6.7%	3.0%	3.2%	0.0%	0.0%	
			5	-	-	-	14.0%	14.3%	10.6%	11.1%	7.0%	7.7%	
			6	-	-	-	19.8%	20.2%	16.5%	17.1%	13.1%	14.0%	
			7	-	-	-	24.3%	24.7%	21.2%	21.9%	18.0%	19.0%	

Source: Adams Integra, July 2008