



**USER
MANUAL**

for

Program Version 7.10

**SDS Shelton Development Services
Redcroft House
Redcroft Walk
Cranleigh
Surrey GU6 8DS**

**Tel. 01483 278444 Fax. 0845 076 3777
Email support@sdslandval.co.uk**

Contents

1.0	Opening & Closing SDS Landval	Page 4
1.1	To Open SDS Landval	4
1.2	To Exit SDS Landval	4
2.0	Open, Save & Close Appraisal Files	5
2.1	To Start a New Appraisal	5
2.2	To Open an Existing Appraisal	5
2.3	To Save a New Appraisal	5
2.4	To Save an Existing Appraisal as a New Version	5
2.5	To Close an Appraisal	5
3.0	Colour Coding, Navigation & Screen Sizing	6
3.1	Cell Label & Data Entry Colour	6
3.2	Button Colours	6
3.3	Navigation	6
3.4	Screen Sizing	7
4.0	Setting and Applying Default Values	8
4.1	To Set Personal Defaults	8
4.2	Set Scheme Defaults	8
4.3	Save Default Values	10
4.4	Create a New Version of Defaults Values	10
4.5	Protect Default Values by Password	11
5.0	Updating Data in the Database	12
5.1	To Open the Database for Viewing	12
5.2	To Update the Database	13
5.3	To Change the Name of the Database	13
5.4	To Update an Appraisal with the Latest Database Values	13
5.5	To Change the Password	13
5.6	To Update Costs in the Database	14
6.0	Carrying out an Appraisal	15
6.1	Applying Defaults	15
6.2	Entering Data	15
6.3	General Scheme Details	16
6.4	Unit & Sales Details	17
6.5	Sales Prices	19
6.6	Unit Build Cost	19
6.7	Housetype Performance Information	20
6.8	Unit Mix	20
6.9	Site Costs	21
6.10	Overheads	21
6.11	Technical Fees	22
6.12	Marketing	22
6.13	Gross Margin	23
6.14	Abnormals	24
6.15	Gross Development Value	24
6.16	Existing Property Resale	25
6.17	Acquisition Fees	25
6.18	Residual Land Value	26
7.0	Net Margin	27
7.1	Features of the Cashflow	28
7.2	Creating a Cashflow	30
7.3	Equity & Finance Analysis	31
7.4	Recovery of Costs on Sale	31
7.5	Return on Capital	32
8.0	Land Value Sensitivity	33
8.1	Land Value Sensitivity by Profit Margin	33
8.2	Land Value Sensitivity by Sales Value	33
8.3	Effect on Land Value for Other Changes	34

con't

9.0	Unit Profit Analysis	35
10.0	Printing	36
11.0	Stamp Duty Land Tax	37
12.0	Miscellaneous Topics	38
	12.1 Validations	38
	12.2 Appraisal Summaries	38
	12.3 Notes	38
	12.4 Undo	38
13.0	Help	39

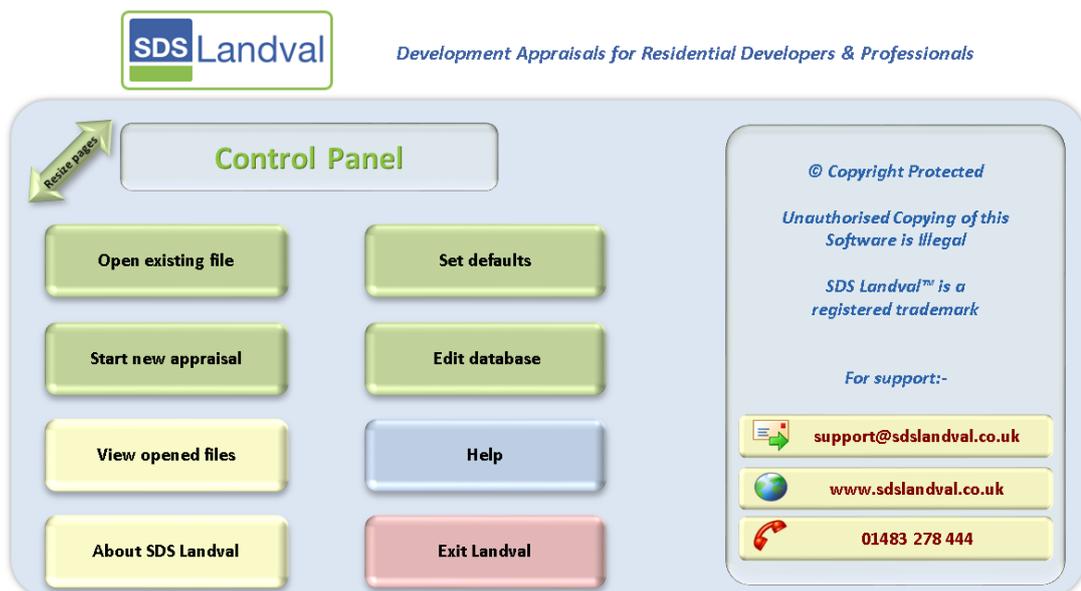
1.0 Opening & Closing the Application

Landval is a Microsoft Excel based program. Appraisals are saved as Excel workbooks but these can only be opened from within the Landval operating environment. To share appraisals with those who do not have Landval, we recommend that the Landval reports are printed and then scanned as pdf copies.

On opening Landval the Excel operating environment will be amended and as a precaution the user should first close any other workbooks which may be open in Excel.

1.1 To Open Landval

Double click on the shortcut icon on the desktop screen to open the Control Panel.



1.2 To Close Landval

1. Ensure any open appraisals have been closed. To check that all appraisals have been closed, click **View opened files**
2. To exit Landval and restore the Microsoft Excel environment click **Exit Landval**

2.0 Open, Save & Close Appraisal Files

2.1 To Start a New Appraisal

1. From the Control Panel, click **Start a new appraisal**.
2. Select the Landval Version 710 (or later) version.

2.2 To Open an Existing Appraisal

1. From the Control Panel, click **Open existing file**.
2. Choose the appraisal file to be opened from the Excel Open dialog box. Navigate to the correct drive/directory if necessary.

2.3 To Save a New Appraisal

1. Return to the Home Page of the appraisal.
2. Click **Save**.
3. Check that the directory which is shown in the 'Save As' box is correct.
4. Check the file name is correct. Avoid using punctuation marks in the file name.
5. Click **Save** to save the appraisal.

2.4 Save an Existing Appraisal as a New Version

1. Return to the Home Page of the appraisal.
2. Click **Save as New Version**.
3. Verify the name of the new file and the directory in which it is to be saved.
4. Click **Save**.

! Tip

Amend the description of the *Appraisal Version* cell in the header section of the appraisal to describe the new version being saved. This entry will be appended to the file name.

2.5 To Close an Appraisal

1. Return to the Home Page of the appraisal.
2. Click **Close**.
3. If the file has not been previously saved then save it as described above, otherwise confirm whether any changes that may have been made are to be saved.

Important Information

If during the save procedure described above, you cancel out of the Save dialog box, you will be warned that the file has not been saved. Clicking Ok to this message will result in any changes to the appraisal being lost.

3.0 Colour Coding, Navigation & Screen Sizing

3.1 Cell Label and Data Entry Colours

Cell descriptions (or labels), user input and those parts of the program under automatic control of the Landval application are identified by different colours as follows.

Pink Labels: Essential information/data required by Landval from the user to obtain a meaningful land value.

Green Labels: Indicates that user input is entirely optional.

Blue Labels: Indicates that these can be overwritten by the user.

Blue Data Entries: All entries by the user are shown in blue. All existing blue data entries can be overwritten by the user.

Note that all default values and entries from the database are in blue indicating that they can be modified by the user.

Black Labels/Data Entries: These are all under the control of the Landval application.

Red Descriptions/Data Entries: Warning Messages or Errors.

Orange Descriptions Memorandum information for the user.

3.2 Button Colours

To assist the user to move to any part of the appraisal, navigation buttons are identified by **black text on a yellow background**.

The **Help** navigation button has a light blue background.

Green buttons identify that an action is performed. The **Start** button on the Home page has a green background because when the appraisal is first started, default values are applied.

The printer button has its own colour.

3.3 Navigation

Click the appropriate yellow button to move to the relevant part of the appraisal.

Other useful keyboard shortcuts to assist navigation are as follows:

<Home> Cursor returns to far left of screen on current row.
<Ctrl + Home> Cursor returns to top left cell of the page.

<Tab> Cursor moves (usually left to right) to each unprotected cell ready to receive input. After making an input the tab button also performs an *Enter* action.

3.4 Screen Sizing

Once a new appraisal has been started all the pages in the appraisal are automatically sized on clicking the **Start** button on the Home page.

If the appraisal is subsequently viewed on a different screen size, resizing can be carried out by clicking the button



on the Home page.

4.0 Setting and Applying Default Values

Default values are inserted at the time a new appraisal is created. All default values can be overwritten on the appraisal.

There are two classes of default values: Personal Defaults and Scheme Defaults.

Personal defaults consist of the printer name, your user name and the nominated file for saving your appraisals.

Scheme defaults are set in separate file on the system and are accessible by all users. Different sets of default values can be created.

4.1 To Set Personal Defaults

1. From the Control Panel click **Set Defaults**.
2. Select the *Personal Defaults* option and click OK.
3. Place the cursor into the first input, prompted by the label *Printer*.
4. Select a printer name from the choices presented and click OK.
5. In the next field enter your name/initials.
6. Click into the last field, labelled *Nominated Folder for Appraisal Files*. Browse for a preferred folder, anywhere on the system, where you will want to save appraisal files, click OK.
7. Click **Save & Return to Control Panel** to save your settings.

4.2 Set Scheme Defaults

1. From the Control Panel click **Set Defaults**.
2. Select an appraisal default file. Note that apart from *Personal Defaults* all names appearing at this position are valid default files. Click OK.
3. This will open the selected file at its Home Page position.

ABC Limited

Default Values



Appraisals for Residential Developers & Professionals

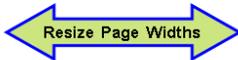
Version Df3.0

The defaults in this file are called

Demonstration

Landval is supplied and supported by:
SDS Shelton Development Services Limited
Tel 01483 278444
Email support@sdslandval.co.uk

Copyright Protected
Unauthorised Copying of this Program is Illegal



View Defaults

Save Defaults

Save As New Version

Close Defaults

4. Click **View Defaults**.
5. Each file has a number of pages where default values can be set. The first one is called the *Appraisal Defaults*.

4.2.1 Appraisal Default Values

1. Before values can be added, or amended, click **Update Defaults**.
2. If the values on this page have been password protected, you will be required to enter the password.
3. Proceed to enter values as prompted. Only set values you want to use on a regular basis.
4. Note that on this page the Stamp Duty Land Tax rates are set.

4.2.2 Overheads Appendix

1. Click **Overheads**.
2. Before values can be added or amended, click **Update Defaults**.
3. If the values on this page have been password protected, you will be required to enter the password.
4. Proceed to enter values as prompted. Only set values you want to use on a regular basis.
5. Add descriptions.
6. Values against each description can be entered as follows:
Cost Per week, Sum Per Plot, Lump Sum.
If more than one entry type is used the costs will be added together.
7. *Overheads Contingency* has special input options at the start.

4.2.3 External Appendix

1. Click **Externals**.
2. Before values can be added or amended, click **Update Defaults**.
3. If the values on this page have been password protected, you will be required to enter the password.
4. Proceed to enter values as prompted. Only set values you want to use on a regular basis.
5. Note that the first section of the page has a number of fixed descriptions. Following these the user can define further descriptions.
6. Values against each description can be entered in columns as follows:
The first 3 columns allow a Bill of Quantities to be produced.
Measured Quantity e.g. 107
Units e.g. m²
Cost Per Measured Unit e.g. £10/m²
Sum Per Plot
Lump Sum
% of Plot/Build Cost
% of Sales Value.
7. *Contingency* has special input options at the start.

4.2.4 Other Appendices

1. For *Fees*, *Marketing* and *Abnormal* appendices, follow the same procedure as above 4.2.3

4.3 Save Defaults Values

Return to the **Home Page**.

Click **Save Defaults**. On saving a file the password settings are activated (if used).

4.4 Create a New Version of Default Values

Having set and saved a file of default values, this can then be amended to suit other scheme situations and saved as a new version.

1. Open an existing default file (see 4.2).
2. Click **View Defaults**.
3. Click **Update Defaults**.
4. Change the input prompted by the pink label *Name of this Defaults File* to another name.
5. Continue to add/amend values on this page and on the appendices as required.
6. Return to the **Home Page**.
7. Click **Save as New Version**.
8. Follow on-screen instructions.

4.5 Protect Default Values by Password

1. Each page of the default values file has to be protected separately and a different password can be used.
2. Move to the default value page to be protected.
3. Click **Set or Change Password**.
4. Follow on-screen instructions.
5. Password protection will be effective only after the file has been saved from the **Home Page**.
6. Click **Save Defaults**.

If the page has been password protected you will be required to enter the password before the default values can be amended.

At the start of each default values page, the *Password Status* will be displayed. Even when the status is *Not Set*, you must still click **Update Defaults** before being able to change any values.

NOTE:

Changing values in the default files will not affect existing appraisals.

5.0 Updating Data in the Database

The Database file contains 10 separate databases with space for 105 dwelling types in each. These may be defined by the user as a particular *Standard House Type* or may refer simply to generic types. The information held in each database is as follows:

- *Dwelling Name/Type (essential)*
- *No of Beds*
- *Area (ft²)*
- *Substructures*
- *Superstructures*
- *Contingency*
- *Total Cost*
- *Total Cost (ft²)*
- *Plotting Density*
- *Unit Frontage*

The *Contingency* value can be entered either as a % (all values below 25 are treated as percentages) or as a lump sum. Contingency percentages are displayed in italics. The calculated contingency sum generated by a % value is displayed for information.

The Database is a separate file and is available to all Appraisals at all times.

5.1 To Open the Database for Viewing

1. From the Control Panel click **Edit Database**
2. The database file of house type information will be displayed.

Landval Database of Housetypes

Version DB 5.0



Appraisals for Residential Developers & Professionals

Landval is supplied and supported by:
SDS Shelton Development Services Limited
Tel 01483 278444
Email support@sdslandval.co.uk

Save, Protect & Close

Copyright Protected
Unauthorised Copying of this Program is Illegal

View Databases

1	Houses	6	Six
2	Flats	7	Seven
3	Three	8	Eight
4	Four	9	Nine
5	Five	10	Ten

3. To view a particular database, click its number e.g. **1** *One*.

No amendment can be made to the database at this stage, but it is possible to view all the data and to print it.

5.2 To Update the Database

1. Open the Database file [5.1] and select the required database.
2. Click the button **Update Database**. You may be prompted for a password.
3. All cells available for input/amendment are now unlocked. Use the **<Tab>** or **<Arrow>** keys to move to any free line and enter the data.
4. On completion click **Home Page**
5. Click **Save, Protect & Close**, confirm whether to save changes.
6. Repeat steps 1-5 for other databases.

Changes and new entries on the database will be immediately available to all appraisals. The data fields shown in green type are optional. The database name and Dwelling Name/Type description [pink label] are essential if data is to be successfully transferred to an Appraisal.

Changes to the Database will not affect existing Appraisals.

5.3 To Change the Name of a Database

On delivery the ten databases in the file are named One, Two, Three etc. To change this name:

1. Select a database.
2. Click **Update Database**.
3. Change the *Database Name* at the top of the page.

5.4 To Update an Appraisal with the latest Database Values

1. Open the appraisal [2.2].
2. On line a1 scroll to Column A.
3. Delete the name of the dwelling type.
4. Click **Insert Dwelling Type from Database**.
5. From the Database choose the name of the deleted type from the appropriate database.
6. Click *Enter into Appraisal*.
7. All data from the Database will be overwritten into Column A.
8. Repeat steps 3 - 7 for Columns B, C etc.

NOTE. Data from the Database will always be inserted into the column with the first empty *Dwelling Type* cell. **Any existing data in that column will be overwritten.**

5.5 To Change the Password

1. Open the Database file [5.1].
2. Select a database.

3. Click **Change Password**
4. Follow on-screen instructions.

N.B. Databases must be protected separately as necessary and each can have a separate password.

5.6 To Update Costs in the Database

To update costs by a percentage (e.g. for inflation) use the automated procedure as follows:

1. Open the Database file [5.1].
2. Select a database.
3. Click **Auto' Costs Update**
4. Follow on-screen instructions.

When using this function note that the *Contingency* sum, where set as a percentage, will not be affected, i.e. the same % will be applied to the revised costs.

Separate % can be used for *Substructure* & *Superstructure* costs.

This procedure can only be undone by applying a reverse sign calculation.

NOTES

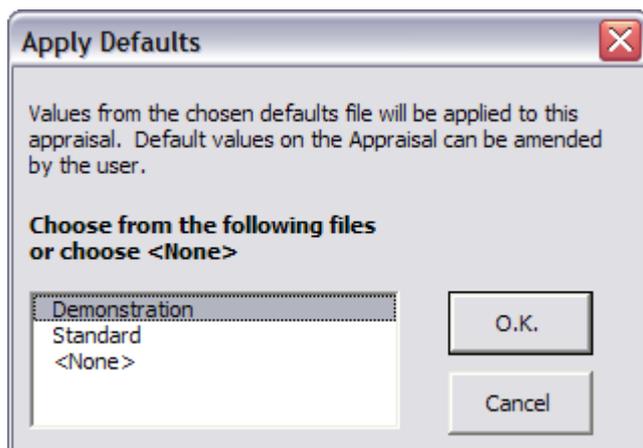
Changing the details in the house type does not affect existing appraisals.

6.0 Carrying Out an Appraisal

1. Click **Start New** on the Control Panel.
2. Select the option *Landval Version 710* (or a later version)
3. The Home page of the Appraisal will show after opening.

6.1 Applying Defaults

4. Click the **Start** button on the Home Page to show a list of default file options.
5. Select the appropriate file (or choose <None>) and click O.K.



! Warning: When the *<None>* option is chosen the SDLT values will not be set. These will have to be entered manually on the **Stamp Duty** page.

The values in the selected default file will be copied onto the appraisal. These values can be changed on the appraisal without affecting the defaults file. Similarly changing the value in the defaults file will not impact on the appraisal.

6.2 Entering Data

Only cells which are open for input are available to the user. All other cells are locked. Attempting to enter data into a locked cell will cause an error message to be shown.

Most cells which can accept data are highlighted by grey or black line border.

Where a percentage is required, the use of the percentage key is not required. In early versions of Excel a decimal may be required, otherwise enter the appropriate number, e.g. 5 for 5%.

To navigate directly to cells available for input use the **<Tab>** key. This will move the cursor left to right, line by line to each available cell. Pressing **<Tab>** after input will register the entry and move to the next available cell. Alternatively the **<Arrow>** or **<Enter/Return>** keys can be used. The **<Arrow>** keys are particularly useful for moving down the column of data for a particular unit type which is being appraised.

<i>Agent</i>	Name of the introducing or selling agent.
<i>Owner</i>	Land owner's name.
<i>Sketch Layout</i>	Identification of sketch layout drawing number to which the Appraisal relates.
<i>Section 106 Notes</i>	Short description about any relevant Agreement
<i>User Comments</i>	Short Description of key information. A further area for Notes is on Line aa

! Tip

Completion of the above information is best done by using the **<Tab>** key.

6.4 Unit & Sales Details

Lines a1 to a7

Line No.	Unit & Sales Details	A	B	C	D	E	Pages 2 & 3 Subtotal	%Sales	Total All Units
a1	Dwelling Description	Saxton	Richmond						
a2	Floor Area	ft ²	1,000.0	1,500.0					
a3	Frontage	m							
a4	No. of Bedrooms								
a5	Habitable Rooms								
a6	Sales Price Input	Sum or £/ft ²	200	325,000					
a7	Sales Value		200,000	325,000				100%	
	Sales Value/ft ²		200	217					

Each particular dwelling type can be identified by a name or the appropriate description on the first line of the Appraisal.

There is room for up to 37 different types to be entered, one column per type, headed by the letters A, B, C.....etc.

On *Page One* (A to E) of the Optimisation 5 types can be entered. Also shown on *Page One* are the Subtotals for all data entered on *Page Two* and *Page Three* together with a total for the whole Appraisal.

To move to *Page Two* click **Page 2** at the top of the screen.

To move to *Page Three* click **Page 3** at the top of Page Two.

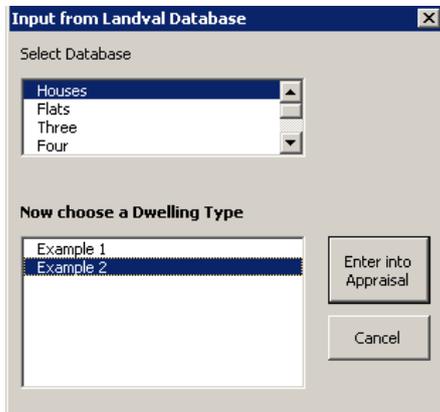
For duplicating data input across columns use the **Copy** & **Paste** gadgets at the side of the page.

Each dwelling type can be identified with the following attributes:

Dwelling Description:	Essential input. Enter specific name, ref. no. or type. (house, flat, type ref.)
Floor Area:	Essential input. Select unit of measurement: <i>ft²</i> or <i>m²</i> .
Frontage:	Select preferred unit of measurement: <i>ft</i> or <i>m</i> .
No. of Bedrooms:	Enter number of bedrooms.
Habitable Rooms:	Enter number of habitable rooms.
Sales Price Input	Essential input. Enter either as a specific price or as a price per unit floor area. Entries above 10,000 will be treated as a specific price. Line a7 will confirm the price and the equivalent price per unit floor area will be shown underneath. See also 6.5 below.

6.4.1 To Enter Details of a Dwelling Type from the Housetype Database:

1. Click on the button **Insert Dwelling Type**.



2. Highlight the required *Database*. The dwelling type names will be listed.
3. Highlight the required *Dwelling Type*.
4. Click *Enter into Appraisal*.
5. All information from the database for that type will be entered on to the Appraisal in the first column where the Dwelling Type Name is empty.

If there is no room on the Appraisal (i.e. all Dwelling Description name cells have data in them) a warning message will be shown. Landval will insert the data into the first empty *Dwelling Description*. **Any other information in this column will be overwritten.**

To undo the input, click **Undo**.

! Tip

When entering data from the database, to avoid accidentally overwriting data, always give each dwelling type on the Appraisal a description of some kind on Line a1.

6.5 Sales Price

This is essential data. Enter the estimated sales price for each dwelling type.

The sales price must be entered either as a specific sum or as a price per unit floor area. Make the entry on the line labelled *Sales Price Input*, Line a6.

N.B. Entries below 10,000 will be read as a price per unit floor area. Entries 10,000 and above will be treated as a specific price.

6.6 Unit Build Cost

Landval allows building costs to be split between *Unit Build Cost* and *Site Costs*. *Unit Build Cost* refers to the cost of the superstructure and substructure of the unit together with any other costs (such as specification adjustments etc.) which will be directly affected by the chosen mix of dwelling types.

Unit Build Cost can be entered by a cost per unit floor area or as separate sums for Substructure and superstructure.

Line b is used for entering a cost per unit floor area (which can also be a cost for all build costs so that site costs can be ignored).

Lines b1, b2 are for specifying an actual *Substructure Cost* and *Superstructure Cost* per unit

Line b3 is for adding a *Contingency*. This can be entered either as a specific sum, or as a percentage. Entries below 25 will be treated as percentages, e.g. 2.0 = 2%. Percentage values are shown in italics.

Lines b4 and b5 are for adding extra costs to either Substructures or Superstructures (per unit).

Line b6 shows the Total Unit Build Cost and the Cost per unit floor area is shown below.

! Tip

For a faster but less sensitive Appraisal, a gross cost of building (including all on-costs etc) can be entered at **Line b**. All Site Costs and other on-costs (**Lines e to g**) can then be ignored.

Costs are split between Unit Build Cost and Site Costs because as the unit mix/number of each type changes, so the building cost will vary directly to the mix chosen. Site costs (infrastructure, off-site works etc.) however are less likely to change.

! Warning: You can't specify these costs as a price/floor area at line b as well as specific sums on lines b1/b2. You can combine entries on lines b3, b4 and b5 with line b.

Note that if the database specified a contingency percentage for a particular housetype, this value will be transferred to the appraisal as a sum, not as a percentage.

6.7 Housetype Performance Information

Lines c1 to c6 assist the user to determine the optimum mix of units on the site.

b	Unit Build Cost						
b1	Substructure	25,000	27,000	29,500			290,000
b2	Superstructure	100,000	108,000	115,000			1,154,000
b3	Contingency	2	2	2			28,880
b4	Extra Substructure						
b5	Extra Superstructure						
b6	Total Unit Build Cost	127,500	137,700	147,390		40.7%	1,472,880
c1	Optimising Value (SV - Units Costs)	187,500	210,300	197,110		Average 133,898/unit	2,150,120
c2	Plotting density, Units/ac	8.0	8.5	8.0			
c3	Optimising Value per ac	1,875,000	1,787,550	1,576,880			
c4	Density 8.2 units/nett ac, br/ac						
c5	Site cover 10,415.87 per nett ac						
c6	100% of nett site area plotted						
d	Unit Mix	6	3	2			11
	% Unit Mix	55%	27%	18%			

Line c1 shows the residual value after Unit Build Costs have been deducted from the Sales Value. When converted to a *Optimising Value (SV – Unit Costs)* (line c3) by the application of the *Plotting Density* (line c2) then in broad terms those units with the highest *Optimising* will give the highest residual land value for the site. Aim to get the Total at line c1 as high as possible.

Lines c4 to c6 give important performance statistics of the site as a whole as follows:

- c4 - *Site Plotting Density*. Indicates the overall density, e.g. units per acre.
- c5 - *Site Cover*. This is the floor area per unit site area.
- c6 - *Plotting efficiency*. This is a comparison of the theoretical net acreage that the specified unit mix requires (based on the plotting densities entered in line c2) with the actual net area of the site. A value above 100% indicates that the site is incapable of accommodating the specified unit mix (or that the plotting densities have been underestimated). A value somewhat lower than 100% indicates inefficient use of the land available (based on the plotting densities entered in line c2).

6.8 Unit Mix

Line d.

d	Unit Mix	6	3	2				11
	% Unit Mix	55%	27%	18%				

Enter a specific number of units for each dwelling type at line d.

Site coverage details of the user specified mix will be shown in lines c4 to c6 as described above.

A percentage of each type in the overall unit mix will be shown under the line *% Unit Mix*.

6.9 Site Costs

Lines e1 to e2.

e	Site Costs			
e1	User Defined Externals	<input type="text"/>	Or use Externals Appendix, y?	<input type="text"/>
e2	User Defined Abnorm	<input type="text"/>	Or use Abnormals Appendix, y?	<input type="text"/>

Lump Sum
 Per Unit
 Per ft²
 Per Net ac
 Per Hab. Rm

Site costs comprise all direct construction costs not included in the Unit Build Costs, e.g. external works, roads & sewers, infrastructure, services, abnormal costs.

These costs are split into 2 categories:

1. Externals
2. Abnormals

Externals can be entered either as a user-defined sum **or** a detailed appendix of costs can be created. Only one option is possible and both are shown on line e1. To create an Appendix of Externals:

1. Click **Externals Appendix**.
2. Complete costs for the predefined descriptions.
3. Enter descriptions and costs as necessary. These can also be set by default.
4. Return to the Appraisal **Site Costs**.
5. On line e1 delete any user-defined entry and set Appendix option to **y**.

Abnormal costs are entered in exactly the same way on line e2. To access the Abnormal Appendix click **Abnormals Appendix** and follow steps 2 - 4 above. Only **one** option can be used, User-defined Sum or Appendix.

In these Appendices, the contingency provision is set at the bottom of the page.

The user can explicitly exclude the Appendices by entering **n** at the prompt label.

6.10 Overheads

Lines f1 – f2.

f	Site Overheads			
f1	User Defined Sum	<input type="text"/>	Or use Overheads Appendix, y?	<input type="text"/>
f2	User Def	<input type="text"/>	on sum of	<input type="text"/>
g	Technical Fees			

Lump Sum
 Per Unit
 Per ft²
 Per Net ac
 Per Hab. Rm

Site overhead costs can be defined in **one** of three ways, viz. 1) by user defined sum, 2) summarised in an Appendix or 3) calculated by a percentage on the Build Cost.

To enter as a user-defined sum, use the input box on line f1 and ignore all other inputs in this section.

To create an Appendix of Overheads:

1. Click **Overheads Appendix**.
2. Define *Total Build* Period by entering dates for *Start on Site*, *Sales Rate (units/week)* or a *Sales Period* and *Lead-in Time*, *First Sales LC* and *Last Sales LC* are displayed.
3. Complete costs for predefined descriptions.
4. Add additional descriptions and costs as necessary.
5. Return to the appraisal click **Overheads**.
6. On line f1 delete any user-defined sum entry and set Appendix option to **y**.

In this Appendix, the contingency provision is set at the bottom of the page. The user can explicitly exclude the Appendices by entering **n** at the prompt label.

On line f2 a percentage of the Build Cost (i.e. Unit Build Costs plus Site Costs) can be entered.

6.11 Technical Fees

Lines g1 – g2.

Technical Fees can be defined in **one** of three ways, viz. 1) as a user defined sum, 2) summarised in an Appendix or 3) by percentage.

To enter as a user-defined sum, use the input box on line g1 and ignore all other entries in this section.

The user can explicitly exclude the Appendices by entering **n** at the prompt label. To create an Appendix of Fees:

1. Click **Fees Appendix**.
2. Add descriptions and costs.
3. Return to the appraisal **Technical Fees**.
4. On line g1 set the Appendix option to **y**.

To define technical fees by percentage, enter the % in line g2. The calculation is a % of all building costs (net of technical fees) and this total is shown on line g2.

6.12 Marketing

Lines i1 and i2

6.12.1 Part Exchange Units

To allow for part exchange units in the Cashflow, enter the *No. PX Units* to be purchased, the *Avg'e Value* per unit and the *Hold Period* (in months). The Cashflow will automatically time these to fit in with the pattern of development sales.

6.12.2 Marketing Costs

Enter a combination of any or all of the following options at Line **i1**

Enter a percentage of Sales Value total on Line i1

To create an Appendix of Marketing Costs

1. Click on **Marketing Appendix**
2. Optionally, complete the timing information at the start. This will be used in the Cashflow.
3. Add descriptions and costs.
4. Return to the appraisal **Marketing Costs**.
5. On line i1 set the Appendix option to **y**.

6.13 Gross Margin

Line **j**

Gross Margin will normally be entered as a required gross profit margin from which a residual land value will be derived. It is entered as a percentage of the sales total and is defined as follows:

$$\text{Gross Margin} = \text{Net Profit Before Tax} + \text{Interest Charge} + \text{Overheads}$$

The required GM % can be defined either for the scheme as a whole or for individual units. The following example shows it being defined for the whole scheme.

j	Scheme GM %	20.0%							
		Or GM% per unit							
j1	Gross Margin							20.0%	
		Copy	Paste						

In the next example. Different GM% are defined for each unit. The weighted average GM% is shown next to the total.

j	Scheme GM %								
		Or GM% per unit	20%	18%	15%				
j1	Gross Margin							102,621 /unit	16.2%
		Copy	Paste						1,231,446

On line r it is possible to enter a *User Specified Net LV* and a *Residual GM%* will be displayed at Line j.

j									
		Or GM% per unit	20%	18%	15%				
j1	Residual Gross Margin						112,016 /unit	17.7%	1,344,191
		<input type="button" value="Copy"/>	<input type="button" value="Paste"/>						
m	Land Abnormals								
m1	User Defined Sum								
m2	User Defined Sum								
n	Gross Residual Development Value							28.7%	2,140,000
p	Existing Property Resale								
p1	Selling & Legal Costs %								
p2									
p3									
q	Acquisition Fees								
q1	SDLT (Stamp Duty) %	4.00%							80,000
q2	Agent Fee % on LV	1.00%	+ sum/unit			+ lump sum			20,000
q3	Legal fees % on LV	2.00%	+ sum/unit			+ lump sum			40,000
q4	Other Fees %		+ sum/unit			+ lump sum			
q5	VAT % Paid on Nett LV		VAT Total			Recoverable VAT, %			
r	NETT SPECIFIED LAND VALUE					User Specified Nett LV 2,000,000	166,667 /unit	26.3%	2,000,000

6.14 Land Abnormals

Lines m1 and m2

m	Land Abnormals								
m1	User Defined Sum								
m2	User Defined Sum								
n	Gross Residual Development Value							28.7%	2,140,000

Entries on these lines allow further opportunities for including costs which do not fall readily into any of the foregoing cost categories.

Label descriptions can be redefined by the user.

Data entry is by user-defined sum as shown above.

6.15 Gross Development Value

Line n

The *Gross Residual Development Value* is calculated as follow:

Total Sales Value, less

- Total Unit & Site Costs
- Site Overheads
- Technical Fees
- Marketing Costs
- Gross Margin
- Land Abnormals

= *Gross Residual Development Value*

6.16 Existing Property Resale

Lines p1, p2 and p3

p	Existing Property Resale		Resale Price	125,000		
p1	Selling & Legal Costs %	2.00%	Less: Selling & Legal Costs	2,500		
p2			Refurbishment Works	1,500		
p3			User Defined Sum			
q	Acquisition Fees		Sub Total	4,000	Nett Contribution to LV	121,000

Where a scheme includes a property which is to be sold on separately from the main development, the contribution to land value that this sale makes can be shown.

1. Enter the *Resale Price* (Line p)
2. Enter any *Selling & Legal Costs %* (Line p1)
3. Enter any costs for *Refurbishment Works* (Line p2)
4. Enter any other *User Defined Sum* (Line p3)

The sub-total (Resale Price less costs) will be added as a *Net Contribution to the LV*.

The units total at the start of the appraisal will indicate where an existing property resale is included. It will **not** be added to the development units total.

6.17 Acquisition Fees

Lines q1 – q5

q	Acquisition Fees						
q1	SDLT (Stamp Duty) %	4.00%				SD based on Nett LV + VAT: 1,131,606	45,264
q2	Agent Fee % on LV	1.00%	+ sum/unit		+ lump sum		9,631
q3	Legal fees % on LV	2.00%	+ sum/unit		+ lump sum		19,261
q4	Other Fees %	1.00%	+ sum/unit		+ lump sum		9,631
q5	VAT % Paid on Nett LV	17.50%	VAT Total	168,537	Recoverable VAT, %	100%	
r	RESIDUAL NETT LAND VALUE		User Specified Nett LV		802,557 /nett ac	87,552 /unit	963,069

6.17.1 SDLT

Stamp Duty Land Tax – Line q1, will show automatically according to limits and percentages shown in the Stamp Duty page. When the net land value is very close to the limits of the bands an error may occur. When this happens a warning message will show and the correct Land Value should then be specified as a *User Specified Net LA* at Line r.

If SDLT bands and rates change after the appraisal has been started, click **Stamp Duty** and make the amendments. These amendments will only apply to this appraisal. For global changes to the SDLT details make the changes in the Defaults file (see 4.0).

6.17.2 Acquisition Fees

Fees for introducing agent, legal fees and other fees, Lines q2-q4 can be shown by one or a combination of three entry options, viz. a percentage of land value, a sum per unit and a lump sum.

6.17.3 VAT

To include VAT on a land purchase, enter the correct VAT % on Line q5. This will recalculate the SDLT (Line q1) on the Net LV plus the VAT. If the VAT can be subsequently reclaimed then enter the relevant *Recoverable VAT %* on Line q5. If the total VAT is reclaimable set the cell to 100%. The user can make manual adjustments to the cashflow to show the payment of the VAT and its recovery.

6.18 Residual Land Value

Line r

r	RESIDUAL NETT LAND VALUE	User Specified Nett LV	<input type="text"/>	802,557 /nett ac	87,552 /unit	26.6%	963,069
---	--------------------------	------------------------	----------------------	------------------	--------------	-------	----------------

The Residual Net Land Value represents the price which can be afforded for the land based on the cost and value input, whilst making the required Gross Margin.

When the user specifies a land value on this line - *User Specified Net LV* - the SDLT, acquisition fees are recalculated and a Residual Gross Margin is shown on Line j. To revert to the residual land value, delete the specified land value.

r	NETT SPECIFIED LAND VALUE	User Specified Nett LV	1,000,000	833,333 /nett ac	90,909 /unit	27.6%	1,000,000
---	---------------------------	------------------------	-----------	------------------	--------------	-------	------------------

7.0 Net Margin

To calculate the Net Margin and Return on Capital Employed for the scheme it is necessary to carry out a cashflow.

Begin by entering a *Cashflow Start* at line s, e.g. Jan 2004. This date will define the earliest event which can be entered in the cashflow. The date can be past, present or future. Income and expenditure can start later than Month 1, but not earlier.

s	Cashflow Start (mm-yyyy)	Jan-2004					
t1	Interest %, Negative Bal's	5.00%					
t2	Interest %, Positive Bal's	3.00%					
	<i>For equity funding options see Cashflow</i>						
t3	Corporate Overheads	7.00%					
t4	Land Exch. Deposit %	10.00%	100,000	Deposit			
	Gross Margin	684,456		18.9%	on Sales	First Event	Jan 04
u	Cashflow Interest	-85,025				Last Event	Jul 05
v	Operating Margin	599,431		16.5%	on Sales	Dev. Period	19 months
w	Corporate Overheads	-253,610				Build Start	May 04
x	Nett Margin	345,821		9.5%	on Sales	Build Period	11 months
						First Sale	Dec 04
y1	Return on Total Cap. Emp. pa	36.4%			<i>Excludes Corporate Overheads</i>	Last Sale	May 05
							1.83 units/month
y2	Ann. Return on Equity					Sales Period	6 months

						Development Sales	3,623,000
						Gross Development Value	968,000
						Land Abnormals	11,000
						Total Build Cost	1,852,854
						Marketing Costs	108,690
						Total Costs	2,938,544
						Gross Margin	684,456
							23.3% on Total Costs

! Tip

To insert the current month (which will remain fixed unless subsequently updated) use a key combination of <Ctrl + semicolon>.

The Cashflow uses the following values all of which can be set as defaults:

<i>Interest %, Negative Bal's</i> - line t1	Used for all negative balances.
<i>Interest %, Positive Bal's</i> - line t2	Used for all positive balances.
<i>Corporate Overheads</i> - line t3	Not used in the Cashflow, but is used to derive a Net Margin.
<i>Exchange Deposit %</i> - line t4	Optional: calculation is based on the Net Land Value.

Equity injection can be defined on the Cashflow page and this will be used to finance the project before resorting to borrowing. Interest in the month is calculated on the average cashflow balance at the start and end of the month.

The maximum cashflow period is 120 months.

7.1 Features of the Cashflow

1. Click **Cashflow**.

Land Equity %		Build & Marktg Equity %		Build Spread	S-Curve	Sales Spread	Average			
Month No.	C P Hide/Unhide header rows	Land Costs (LV, Acq. Fees, Tech. Fees & Land Abs.)	Build Costs		Marketing Costs		All Sales	Total Cashflow in Period	Loan Interest	Cumulative Cashflow
			Abnormal Costs	Balance	Fees	Part Exchange				
Appraisal Total £		2,289,672		3,741,800	228,113		7,603,776	17.7%	6.00%	
Outstanding £								Positive Rate	2.00%	Op. Margin
Exch/Start Month No.								IRR (pa)	Total	ROCE, pa
L.C./End Month No.									-226,118	30.1%
1	Apr-2008									
2	May-2008	200,000						-200,000	-500	-200,500
3	Jun-2008							-1,003	-1,003	-201,503
4	Jul-2008							-1,008	-1,008	-202,511
5	Aug-2008	2,089,672						-2,089,672	-6,237	-2,298,420
6	Sep-2008			151,569				-151,569	-11,871	-2,461,860
7	Oct-2008			290,859				-290,859	-13,036	-2,765,755
8	Nov-2008			406,585				-406,585	-14,845	-3,187,185
9	Dec-2008			489,373				-489,373	-17,159	-3,693,717
10	Jan-2009			532,514	25,346			-557,860	-19,863	-4,271,440
11	Feb-2009			532,514	25,346			-557,860	-22,752	-4,852,052
12	Mar-2009			489,373	25,346			-514,719	-25,547	-5,392,318

2. Options for Equity & Spreading

Equity percentages can be set for Land and Build & Marketing. This will determine the amount of equity which will be used to finance the scheme before resorting to borrowed money. No interest rate or other cost is applied to this equity.

Build Costs can be automatically spread over a defined period either by an *S*-curve (technically a sine function) or by equal amounts.

Sales income can be automatically spread over a defined period either by equal amounts or by a user defined plot selling sequence. To create a plot selling sequence, follow these steps.

Click **Plot Sales Sequence**

Timing of Existing Prop'ty Resale

To define a sales sequence for use in the cashflow, first assign plot numbers to each dwelling type, then define the sales sequence at the foot of the page.

Appraisal Column Ref.	Dwelling Description	Sales Value	Units	Assign Plot Numbers to each Dwelling Type E.g. 11,2,6-10,15-13	No. of Units Assigned	Hide/Unhide header rows
A		315,000	6	2,4,6,8-10	6	
B		348,000	3	1,3,5	3	
C		344,500	2	7,11	2	
D						
E						

Assign plot numbers to each of the dwelling types.
Add in the *Timing of Existing Property Resale* (if applicable)
Then define the actual selling sequence at the foot of the page.

User Defined Sales Sequence
E.g. 1, 2,7-12,3-6

Click the **Optional Validation Check on User Input** to check no mistakes have been made.

Set the *Sales Spread* option on the Cashflow to *User Sequence*.

3. Cost & Income Headings

The appraisal costs and income are summarised into the following headings.

Land Costs (incl. Land fees, Land Abnormals & Technical Fees).

External Development – Standard.

Build Costs – Abnormals and the Balance.

Marketing costs – Fees and Part Exchange

All Sales (including Existing Property Resale).

2. Values for all Cost Heads are under program control and are shown on the line *Appraisal Total £*.

3. Spreading of the values can either be carried out automatically by specifying start and end month numbers or by entering sums for each month. For spreading options on build costs and sales income see above.

4. If the *Outstanding £* total is not showing zero, an error message will be shown on the Appraisal indicating that the interest calculation is incorrect. Ensure the *Appraisal Total £* is fully entered and that the *Outstanding £* total is zero.

5. If using automatic spreading the cashflow spreads the values as follows:

Land Costs: Land Exchange Deposit in the Specified Month.
Balance of all Land Costs in the Legal Completion Month.

All Other Cost Heads: Build costs as set by the user (equal amounts or S-curve) and equal amounts for marketing costs.

All Sales: By equal amounts or user defined sequence as described above. When the Overheads Appendix has been used an option will be given either to spread the income according to the dates shown on the Appendix, or between a Start and End month entered on the cashflow. The use of the Overheads Appendix is indicated near the start of the Cashflow and relevant dates/month numbers are shown.

7.2 Creating a Cashflow

1. Click **Cashflow Start & Int %**.

s	Cashflow Start (mmm-yyyy)	Jan-2004	
t1	Interest %, Negative Bal's	5.00%	
t2	Interest %, Positive Bal's	3.00%	
	<i>For equity funding options see Cashflow</i>		
t3	Corporate Overheads	7.00%	
t4	Land Exch. Deposit %	10.00%	100,000 Deposit

2. Enter a *Cashflow Start* at line s in the format mmm-yyyy.
3. Enter the interest rate(s) at line t1 and t2.
4. Enter Corporate Overheads at line t3
5. Enter an exchange deposit % at line t4
6. Click **Cashflow**
7. Set *Land Equity %* and *Build & Mark'tg Equity %* options if appropriate.
8. Set options for *Build Spread* and *Sales Spread* (complete the Plot Sales Sequence page first if using this option).
9. For automatic completion of the cashflow, set the Exchange/Start and Legal Completion/End Month Numbers. Click **Automatic Cashflow Update** at the top of the Cashflow. Only those cost heads which have a Month No. entered by the user will be updated, but see 7.1 above. If the Overheads Appendix is being used there will be an option to time sales income in accordance with the Appendix timings.
10. For manual completion of the cashflow enter specific sums month by month. As sums are entered the *Outstanding £* total will reduce. Ensure this total is at zero for a correct interest calculation.
11. The cashflow can be completed by a mix of manual and automatic methods. To prevent automatic overwriting of a cost head ensure the Start and End Month Numbers are omitted.
12. Return to the appraisal **Net Margin & ROCE**.

	Gross Margin	1,344,191	17.7% on Sales		
u	Cashflow Interest	-226,118		First Event	May 08
v	Operating Margin	1,118,073	14.7% on Sales	Last Event	Sep 09
w	Corporate Overheads	-532,264		Build Start	Sep 08
x	Nett Margin	585,808	7.7% on Sales	Build Finish	Jun 09
				First Sale	May 09
y1	Return on Total Cap. Emp. pa	30.1%	<i>Excludes Corporate Overheads</i>	Last Sale	Sep 09
y2	IRR of Total Cashflow (pa)				2.40 units/month

The Appraisal will show the *Cashflow Interest* at line u and is deducted from the *Gross Margin* to give an *Operating Margin*. *Corporate Overheads* are deducted at line w to leave a *Net Margin* at line x. An IRR of the Total Cashflow will be shown if it is possible to be mathematically calculated.

7.5 Return on Capital

Line y1 and y2.

x	Nett Margin	585,808	7.7% on Sales	Build Finish	Jun 09	Period 10 months
				First Sale	May 09	
y1	Return on Total Cap. Emp. pa	30.1%	Excludes Corporate Overheads	Last Sale	Sep 09	Period 5 months
y2	IRR of Total Cashflow (pa)					2.40 units/month

The Annual Return on Total Capital Employed is calculated as follows:

The Annualised Operating divided by the Average Total Capital Employed

where:

The Annualised Operating Margin is the Operating Margin (i.e. Gross Margin after Interest) divided by the Cashflow Period times 12.

And

The Average Total Capital Employed is the Total Cumulative Cashflow divided by Cashflow Period

The ROCE will be shown on both the Appraisal at line y1 as above and on the Cashflow.

The IRR will be calculated on the *Total Cashflow* (i.e. before any equity) if possible.

The Return on Costs is also shown and this can include or exclude the interest. The user must make the appropriate choice at Line t3.

s	Cashflow Start (mmm-yyyy)	Apr-2008				
t1	Interest %, Negative Bal's	8.00%				
t2	Interest %, Positive Bal's	2.00%				
	<i>For equity funding options see Cashflow</i>					
t3	Corporate Overheads	7.00%				
t4	Land Exch. Deposit %	10.00%	200,000 Deposit			
	Gross Margin	1,344,191	17.7% on Sales			

Development Sales	7,603,776
Gross Development Value	2,140,000
Land Abnormals	
Total Build Cost	3,891,472
Marketing Costs	228,113
Incl. Interest	6,485,703
Excl. Interest	1,118,073
	17.2% on Total Costs

8.0 Land Value Sensitivity

Lines z1 to z3.

z Sensitivity

Current Sales, Land Values & Profit Margins			
	Development Sales Value	3,623,000	
	Specified LV (incl. Ex'stng Prop')	1,000,000	
z1	Gross Margin on Development Sales	18.9%	20.0%
z2	Nett Margin on Development Sales	11.1%	12.0%
z3	Nett Margin on Total Costs	23.3%	
z4	Ann. Return on Cap. Employed	46.2%	
			New Land Value
			963,069
			971,997

NB: Stamp Duty limits may give rise to a slightly inaccurate New Land Value for certain Set % Returns

The land value can be recalculated automatically for user specified profit criteria.

It is also possible to carry out a sensitivity analysis by examining what percentage change in sales values is needed to achieve a target land value or target Gross Margin. This second feature is not affected by the cashflow.

8.1 Land Value Sensitivity by Profit Margin

On the left side of the screen, the current sales and land values are shown together with the following profit margins:

- *Gross Margin on Development Sales* - line z1
- *Net Margin on Development Sales* - line z2
- *Net Margin on Total Costs* - line z3.
- *Ann. Return on Capital Employed* - line z4.

The user can *Set Target % Margins* for one or all of the above profit criteria.

Note: Before starting a sensitivity exercise ensure that the Cashflow has been fully completed (with no errors).

Enter target profit margins at lines z1, z2, z3 or z4. The *New Land Value* will be displayed.

Certain rules are used for recalculating the revised land values which are explained by message boxes when using this feature.

8.2 Land Value Sensitivity by Sales Values

	Set Target LV or Target GM%	% SV Change
Target LV	1,200,000	7.68 %
Target GM %	25.0%	8.43 %

This feature does not use the cashflow. It reports the % change required in Sales Values to achieve the *Target LV* or *Target GM %*.

In the above example the current land value is £1,000,000. To achieve a land value of £1,200,000 sale prices would need to increase by 7.68% and this result assumes the current gross margin of 18.9%.

Alternatively, to achieve a gross margin of 25% in place of the current 18.9% sales prices would have to increase by 8.43%. In other words this increase in sales prices, for the current land value of £1,000,000 would give a residual GM of 25%.

8.3 Effect on Land Value for Other Changes

Lines z5 to z8

z Sensitivity		Current Sales, Land Values & Profit Margins		Set Target % Margins	New Land Value	Set Target LV or Target GM%	% SV Change	
	Development Sales Value	7,603,776						
	Specified Land Value	2,000,000						
z1	Gross Margin on Development Sales	17.7%				Target LV		
z2	Nett Margin on Development Sales	7.7%				Target GM %		
z3	Nett Margin on Total Costs	9.0%						
z4	Ann. Return on Cap. Employed	30.1%						
NB: Stamp Duty limits may give rise to a slightly inaccurate New Land Value for certain Set % Returns								
z5	Effect on LV for Changes in Gross Margin							
	+/- % step change in GM	<input type="text" value="1%"/>	a	18.7%	15.7%	14.7%	13.7%	12.7%
				2,070,917	2,141,980	2,213,044	2,284,106	2,355,170
			b	18.7%	19.7%	20.7%	21.7%	22.7%
				1,928,790	1,857,727	1,786,663	1,715,600	1,644,537
z6	Effect on LV for Changes in Sales Values							
	+/- % step change in Sales	<input type="text" value="1%"/>	c	+1%	+2%	+3%	+4%	+5%
				2,056,221	2,112,588	2,168,956	2,225,323	2,281,691
			d	-1%	-2%	-3%	-4%	-5%
				1,943,486	1,887,118	1,830,751	1,774,383	1,718,016
z7	Effect on LV for Changes in Total Build Costs							
	+/- % step change in Build	<input type="text" value="1%"/>	e	+1%	+2%	+3%	+4%	+5%
				1,963,484	1,927,115	1,890,746	1,854,377	1,818,009
			f	-1%	-2%	-3%	-4%	-5%
				2,036,222	2,072,591	2,108,960	2,145,329	2,181,697
z8	Combined Effect on LV for all the Above		a+c+e	2,091,626	2,184,819	2,279,435	2,375,471	2,472,928
			b+d+f	1,909,502	1,820,572	1,733,064	1,646,976	1,562,310

There are 4 reports in this section. Each reports what the land value would be for a given percentage change in Gross Margin (line z5) Sales Values (line z6) and Total Build Costs (line z7). At Line z8 the combined results of the preceding changes are shown.

For the effect on land value for gross margin changes, set the input +/- % step change in GM by selecting a value from the drop down box. The report to the right shows the revised land values starting with the current GM% value and stepping up and down from this for up to 5 steps in total.

Changes in Sales Prices and Total Build Costs follow a similar procedure.

After changes have been made to the appraisal the results in this section will no longer be valid and will not be displayed. To refresh the report click **Update Sensitivity** at the top of the screen. Changes in the *Step Value* will always trigger a refresh.

9.0 Unit Profit Analysis

Method of Apportioning Costs				As Line b6 on Appraisal	By Floor Area	By Unit Costs	By SV	By Plotting Density	Hide/Unhide header rows.	
Appraisal Column Ref.	Dwelling Description	Units	Sales Value	Unit Build Cost	Site Costs & Overheads	Technical Fees	Marketing	Land Value, Land Abs. & Fees	Residual Margin	RM %
A		6	315,000	127,500	25,932	6,169	9,450	96,256	49,693	16%
B		3	348,000	137,700	29,636	6,662	10,440	81,818	81,744	23%
C		2	344,500	147,390	32,106	7,131	10,335	77,005	70,533	20%
D										
E										
F										

This feature allows an analysis of gross margin against each dwelling type based on the apportionment of plot costs.

Gross Margin in the appraisal is defined at the appraisal level (i.e. on total sales value). Unit mix should normally be determined by using dwelling types in the higher range of the Residual Optimising Value shown at Line c1, i.e. these units will produce the highest residual land value and therefore give the user the best chance of being competitive.

Gross Margin at a dwelling type level can be shown, if the user defines the method that costs should be apportioned to each unit.

To do this, click [Unit Profit Analysis](#)

There are 5 main cost headings of which 4 can have one of 6 apportionment options as follows.

Cost Headings

Unit Build Cost - This cost is automatically set to the total unit build cost, as Line b6.

Site Costs & Overheads

Technical Fees

Marketing

Land Value, including Land Abnormals & Acq. Fees

Apportionment Options

By Sales Value

By Floor Area

By Average per Unit

By Unit Build Costs

By Plotting Density

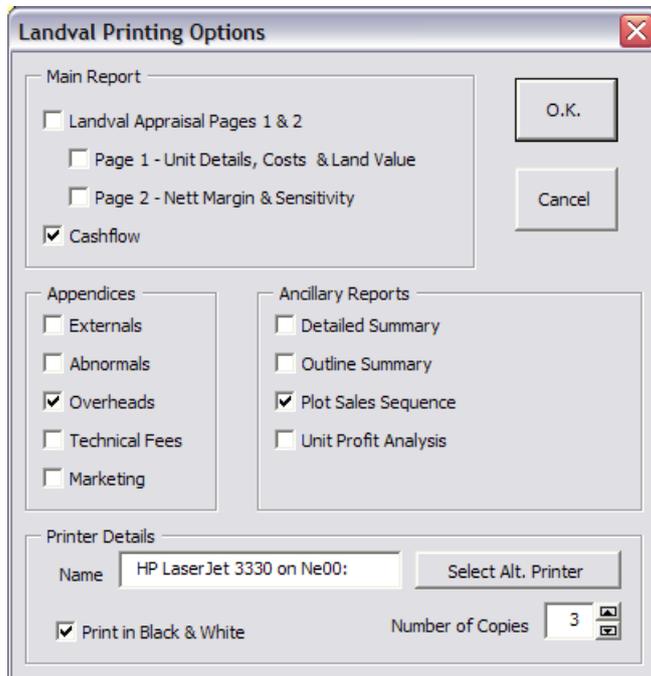
By Habitable Room

Once these options have been selected from the drop down list box above each column heading the residual margin and % will be shown.

This information is also shown on the Detailed Summary.

10.0 Printing

All printing is done from a single button **Printing Options**



Any combination of pages and quantity can be printed.

Pages can be printed in colour if preferred. Uncheck the *Print in Black & White* option.

The user's printer as set in Personal Defaults (see 4.1) will be shown in the *Printer Details*, but other printers can be selected.

When printing Page One, pages Two and Three will automatically be printed if any relevant data has been entered.

11.0 Stamp Duty Land Tax

Values and bands for Stamp Duty Land Tax are set in the default file(s).

On starting a new appraisal, Stamp Duty Land Tax values from the default file will be copied into the appraisal and can be viewed by clicking **Stamp Duty**.

SDLT (Stamp Duty)

The following stamp duty values are used in this appraisal

To amend or set the values on this appraisal only (e.g. as a result of legislative changes) edit here as appropriate

Zero up to	125,000	Stamp Duty %	
Not exceeding	250,000	Stamp Duty %	1.00%
Not exceeding	500,000	Stamp Duty %	3.00%
Above	500,000	Stamp Duty %	4.00%

These values will remain fixed in the appraisal but if legislative changes occur, they can be amended by overwriting with revised values. This action will be necessary for **all** appraisals where the original values become superseded.

As soon as new Stamp Duty Land Tax rates are effective, ensure default file(s) are amended accordingly so that all new appraisals will use the correct values.

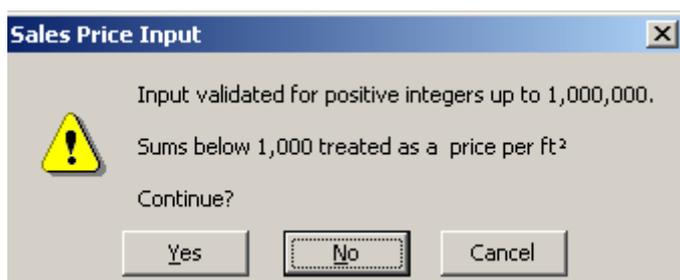
If an appraisal is started and no default values are used (the *<None>* option is chosen on clicking **Start** on starting a new appraisal) then the Stamp Duty page of the appraisal will be empty. In this case at line q1 a warning message will be displayed and the user must therefore enter the values manually on the Stamp Duty page. Click **Stamp Duty** and enter the correct values.

When calculating a residual net land value, based on a GM %, it is possible that the incorrect Stamp Duty Land Tax rate will be used if the residual land value is close to the Stamp Duty Land Tax limits. In this case a warning message will be displayed at line q1. Replace the residual land value with a *Specified Net LV* at line r to correct the situation.

12.0 Miscellaneous Topics

12.1 Validation

Nearly all user input is checked on entry against a range of likely values. If the value entered is outside the range a validation message will be displayed, but in most cases the validation can be overridden. You will be asked to continue with your input. E.g. Entering 12,123,123 as a sales price on line a4, will bring up the following message.



If the input is correct, to continue, click Yes.

At the very top of the appraisal page there is also a validation section which will display user errors and the line numbers for key areas, e.g. Unit Build Costs, Stamp Duty Land Tax, Cashflow etc. This will only be visible if an error is detected.

ABC Limited

Landval Development Appraisal

Landval Version 7.01

Feb-2004

Potential Errors in	Unit Build Costs				Cashflow
	Cols. A - E Page 1				Line u

12.2 Appraisal Summaries

There are two Appraisal Summaries, a Detailed Summary and an Outline Summary. Click **Detailed Summary** or **Outline Summary** as appropriate. There is no user input on these.

12.3 Notes

Line aa

A section to enter memorandum information is at the end of the appraisal, line aa.

Click **Notes**.

12.4 Undo

To undo the last user input, click **Undo**. This can also be used to remove data imported from the Database.

13.0 Help

For on-screen help, click the **Help** button at the top of the page followed by **Index, View Topic & Print**. To view a topic click **View Topic**. To print the topic note click **Print Topic**.

For context specific help on the appraisal pages, place the cursor on the line number cell at the left of the page e.g. b3, then click **Help**.

To return to the appraisal click **Return to Appraisal** at the top of the page.

Some cells on the appraisal have user help notes in a comment box. Comments are identified by a small red triangle in the top right corner of the cell. To view the comment, place the mouse cursor over the red triangle.

a4	No. of Bedrooms		
a5	Habitable Rooms		
a6	Sales Price Input		
a7	Sales Value		
b	Unit Build Cost		

Sum or £/ft ²	Define sales price either as a price per unit or price per unit floor area.	290
Sales Value/ft ²	All values below 1,000 will be treated as a £/unit floor area.	348,000
£/ft ²		290