

For: Bath & North East Somerset Council

**Bath & North East
Somerset Council**

Improving People's Lives

Local Plan Viability Assessment – Stage 2

**Appendix 6a – Purpose Built
Student Housing Accommodation
– Appraisal Summaries**

July 2026

DSP24878

Dixon Searle Partnership

Ash House, Tanshire Park,

Shackleford Road, Elstead, Surrey, GU8 6LB

<https://www.dixonsearle.co.uk/>



PBSA Typologies - Appraisal Summaries

- **200 Unit BtR Scheme - 20% AH (APR) Medium rent - MID Yield CIL at £154.44/m2 on market BTR units**
- **200 Units - Co-Living - Medium rent - 100% market housing CIL £154.44/m2 for mkt units**
- **Purpose Built Student Accommodation Cluster with some studio/ensuite (300 beds) Medium rent - 100% market units**
- **Purpose Built Student Accommodation Studios only (with ensuites) - 100 rooms Medium rent**

200 Unit BtR Scheme - 20% AH (APR)
MED rent - MID Yield
CIL at £154.44/m² on market BTR units

Development Pro Forma
Prepared by DSP
ARGUS Software
September 3, 2026

PROJECT PRO FORMA**ARGUS SOFTWARE**

200 Unit BtR Scheme - 20% AH (APR)
 MED rent - MID Yield
 CIL at £154.44/m2 on market BTR units

Project Pro Forma for Phase 1

Currency in £

REVENUE

Sales Valuation	Units	mSales Rate m²	Unit Price	Gross Sales
BTR apartments	200	13,296.00	6,000.55	398,917 79,783,379
Purchaser's Costs				(5,425,270)
Effective Purchaser's Costs Rate		0.00%		(5,425,270)

NET DEVELOPMENT VALUE **74,358,109**

TOTAL PROJECT REVENUE **74,358,109**

DEVELOPMENT COSTS**ACQUISITION COSTS**

Residualized Price (Negative land)	(2,469,778)
	(2,469,778)

CONSTRUCTION COSTS**Construction**

	m² Build	Rate m²	Cost
BTR apartments	18,994.29	2,177.00	41,350,560 41,350,560
Contingency		10.00%	4,578,003
Site Works / Infrastructure	0.40 ha	500,000.00 /ha	200,000
CIL applied to market units			2,346,744
s106	200.00 un	1,000.00 /un	200,000
Building Safety Levy	18,994.29 m²	19.60	372,288
			7,697,035

Other Construction Costs

Site & Externals Infrastructure		10.00%	4,135,056
M4(2) all dwellings	18,994.29 m²	15.50	294,411
M4 (3) on 3% of dwellings			88,322
Net Zero Carbon (op energy)		5.00%	2,067,528
EV Charging Points	200.00 un	1,961.00 /un	392,200
BNG		0.83%	343,210
Green Infrastructure (Roofs)	18,994.29 m²	100.00	1,899,429
			9,220,156

PROFESSIONAL FEES

Professional Fees	10.00%	4,578,003
		4,578,003

MARKETING & LEASING

200 Unit BtR Scheme - 20% AH (APR)**MED rent - MID Yield****CIL at £154.44/m2 on market BTR units**

Leasing Agent Fee		446,227	
Leasing Legal Fee		223,113	
			669,340

DISPOSAL FEES

Sales Agent Fee	1.50%	1,196,751	
Sales Legal Fee	0.50%	398,917	
			1,595,668

TOTAL COSTS BEFORE FINANCE**62,640,983****FINANCE**

Debit Rate 6.50%, Credit Rate 0.00% (Nominal)

Land		(326,741)	
Construction		4,065,529	
Total Finance Cost			3,738,788

TOTAL COSTS**66,379,771****PROFIT****7,978,338****Performance Measures**

Profit on Cost%	12.02%
Profit on GDV%	10.00%

200 Units - Co-Living - B&NES
MEDIUM rent - 100% market housing
CIL £154.44/m2 for mkt units

Development Pro Forma
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200 Units - Co-Living - B&NES
MEDIUM rent - 100% market housing
CIL £154.44/m2 for mkt units

Project Pro Forma for Phase 1

Currency in £

REVENUE

Rental Area Summary	Units	Initial MRV/Unit	Net Rent at Sale	Initial MRV	Net MRV at Sale
Co-living 200 unit scheme	1	3,648,000	2,553,600	3,648,000	2,553,600

Investment Valuation

Co-living 200 unit scheme					
Current Rent	2,553,600	YP @	4.7000%	21.2766	54,331,915

TOTAL PROJECT REVENUE **54,331,915**

DEVELOPMENT COSTS

ACQUISITION COSTS

Residualized Price (0.44 Ha @ 4,757,409.13 /Hect)		2,093,260		
			2,093,260	
Agent Fee	1.00%	20,933		
Legal Fee	0.75%	15,699		
			36,632	

CONSTRUCTION COSTS

Construction	m²	Build Rate	m²	Cost
CO-Living (BUILD COST)	10,800.00	2,532.00		27,345,600
Contingency		10.00%		3,008,016
Site Works / Infrastructure	0.44 ha	500,000.00 /ha		220,000
s106	200.00 un	1,000.00 /un		200,000
CIL applied to market units	10,800.00 m²	154.44		1,667,952
				32,441,568

Other Construction Costs

Site & Externals Infrastructure		10.00%	2,734,560	
M4(2) all dwellings	10,800.00 m²	155.50	1,679,400	
M4 (3) ON 5% OF ALL DWELLINGS			50,220	
BNG		0.83%	226,968	
NET ZERO CARBON (Op. energy)		5.00%	1,367,280	
Green infrastructure (Green Roofs)			270,000	
Building Safety Levy	10,800.00 m²	19.60	211,680	
				6,540,108

PROFESSIONAL FEES

Professional Fees	10.00%	3,008,016		
			3,008,016	

200 Units - Co-Living - B&NES
MEDIUM rent - 100% market housing
CIL £154.44/m2 for mkt units

MARKETING & LEASING

Leasing Agent Fee	10.00%	255,360	
Leasing Legal Fee	5.00%	127,680	
			383,040

TOTAL COSTS BEFORE FINANCE**44,502,625****FINANCE**

Debit Rate 6.50%, Credit Rate 0.00% (Nominal)

Land		321,178	
Construction		2,716,623	
Total Finance Cost			3,037,801

TOTAL COSTS**47,540,426****PROFIT****6,791,489****Performance Measures**

Profit on Cost%	14.29%
Profit on GDV%	12.50%

Purpose Built Student Accommodation
Cluster with some studio/ensuite (300 beds)
MEDIUM RENTS - 100% market units

B&NES

Purpose Built Student Accommodation
Cluster with some studio/ensuite (300 beds)
MEDIUM RENTS - 100% market units

Project Pro Forma for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	m ² Rent Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
PBSA Cluster	300	5,100.00	40.03	13,618	2,451,277 4,085,462
Totals	300	5,100.00			2,451,277 4,085,462

Investment Valuation

PBSA Cluster

Current Rent 2,451,277 YP @ 4.5000% 22.2222 54,472,824

Total Investment Valuation

54,472,824

GROSS DEVELOPMENT VALUE

54,472,824

Purchaser's Costs

(3,704,152)

Effective Purchaser's Costs Rate

6.80%

(3,704,152)

NET DEVELOPMENT VALUE

50,768,672

TOTAL PROJECT REVENUE

50,768,672

DEVELOPMENT COSTS

ACQUISITION COSTS

Residualized Price (1.10 Ha @ 5,062,146.07 /Hect)

5,568,361

5,568,361

Agent Fee

1.50%

83,525

Legal Fee

0.75%

41,763

125,288

CONSTRUCTION COSTS

Construction

	m ² Build	Rate m ²	Cost
PBSA Cluster	8,500.00	2,532.00	21,522,000
Contingency		10.00%	2,367,420
site prep/servicing/s106	1.10 ha	500,000.00 /ha	550,000
CIL			2,625,480
			27,064,900

Other Construction Costs

Externals/Site Works

5.00%

1,076,100

Sustainability/contingency

5.00%

1,076,100

BNG

0.83%

196,496

**Purpose Built Student Accommodation
Cluster with some studio/ensuite (300 beds)**

MEDIUM RENTS - 100% market units

Green Infrastructure - Green Roofs			212,500	
Building Safety Levy	8,500.00 m²	19.60	166,600	
M4(2)	300.00 un	15.50 /un	4,650	
M4(3)			39,525	
				2,771,971

PROFESSIONAL FEES

Professional Fees		10.00%	2,367,420	
				2,367,420

MARKETING & LEASING

Leasing Agent Fee		10.00%	245,128	
Leasing Legal Fee		1.00%	24,513	
				269,640

DISPOSAL FEES

Sales Agent Fee		3.00%	1,523,060	
				1,523,060

TOTAL COSTS BEFORE FINANCE

39,690,640

FINANCE

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)				
Land			886,057	
Construction			2,021,051	
Total Finance Cost				2,907,108

TOTAL COSTS

42,597,748

PROFIT

8,170,924

Performance Measures

Profit on Cost%	19.18%
Profit on GDV%	15.00%
IRR% (without Interest)	20.89%

Purpose Built Student Accommodation
Cluster with some studio/ensuite (300 beds)
MEDIUM RENTS - 100% market units

Net MRV
at Sale
2,451,277
2,451,277

Purpose Built Student Accommodation
Studios only (with ensuites) - 100 rooms
MEDIUM RENTS

B&NES

Purpose Built Student Accommodation
Studios only (with ensuites) - 100 rooms
MEDIUM RENTS

Project Pro Forma for Phase 1

Currency in £

REVENUE

Rental Area Summary

	Units	m ² Rent	Rate m ²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
PBSA Cluster	100	2,760.00	46.46	15,806	948,342	1,580,569

Investment Valuation

PBSA Cluster

Current Rent	948,342	YP @	4.5000%	22.2222	21,074,256
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GROSS DEVELOPMENT VALUE

21,074,256

Purchaser's Costs

(1,433,049)

Effective Purchaser's Costs Rate

6.80%

(1,433,049)

NET DEVELOPMENT VALUE

19,641,207

TOTAL PROJECT REVENUE

19,641,207

DEVELOPMENT COSTS

ACQUISITION COSTS

Residualized Price (Negative land)

(2,742,071)

(2,742,071)

CONSTRUCTION COSTS

Construction

	m ² Build	Rate m ²	Cost
PBSA Cluster	4,600.00	2,532.00	11,647,200
Contingency		10.00%	1,281,192
site prep/servicing/s106	0.55 ha	500,000.00 /ha	275,000
CIL	4,600.00 m ²	308.88	1,420,848
			2,977,040

Other Construction Costs

Externals/Site Works		5.00%	582,360
Sustainability/contingency		5.00%	582,360
BNG		0.83%	106,339
Green Infrastructure - Green Roofs	4,600.00 m ²	100.00	460,000
Building Safety Levy	4,600.00 m ²	19.60	90,160
M4(2)	100.00 un	15.50 /un	1,550
M4(3)			21,390

Purpose Built Student Accommodation
 Studios only (with ensuites) - 100 rooms
 MEDIUM RENTS

1,844,159

PROFESSIONAL FEES

Professional Fees	10.00%	1,281,192	
			1,281,192

MARKETING & LEASING

Leasing Agent Fee	10.00%	94,834	
Leasing Legal Fee	1.00%	9,483	
			104,318

DISPOSAL FEES

Sales Agent Fee	3.00%	589,236	
			589,236

TOTAL COSTS BEFORE FINANCE**15,701,073****FINANCE**

Debit Rate 6.00%, Credit Rate 0.50% (Nominal)			
Land		(331,339)	
Construction		1,110,334	
Total Finance Cost			778,995

TOTAL COSTS**16,480,068****PROFIT****3,161,138****Performance Measures**

Profit on Cost%	19.18%
Profit on GDV%	15.00%
IRR% (without Interest)	33.36%

Purpose Built Student Accommodation
Studios only (with ensuites) - 100 rooms
MEDIUM RENTS

Net MRV
at Sale
948,342