

Developer Pack for Stone Lee

Introduction

This document provides a comprehensive financial overview of the Stone Lee development project. It reflects the latest unit specifications, estimated sale prices, build costs, rental income potential, and profit projections. This development comprises a mix of detached and semi-detached homes, offering a unique investment opportunity in Telford.

Dwelling Details and Estimated Rental Income

1. **Units 1 & 2** - Detached, 4-Bedroom Houses
 - **Size:** 1,600 sq. ft. each
 - **Parking:** Two car parks per unit
 - **Build Cost per Unit:** £225,000 - £250,000
 - **Estimated Sale Price:** £550,000 - £600,000 each
 - **Estimated Monthly Rent:** £1,800 - £2,000 each
 - **Total Build Cost for Both Units:** £450,000 - £500,000
2. **Unit 3** - Detached, 4-Bedroom House with Double Garage
 - **Size:** 1,800 sq. ft.
 - **Parking:** Double garage
 - **Build Cost:** £250,000 - £275,000
 - **Estimated Sale Price:** £600,000 - £650,000
 - **Estimated Monthly Rent:** £1,900 - £2,100
3. **Units 4 & 5** - Semi-Detached, 3-Bedroom Houses
 - **Size:** 1,200 sq. ft. each
 - **Parking:** Two parking spaces per unit
 - **Build Cost per Unit:** £175,000 - £200,000
 - **Estimated Sale Price:** £450,000 - £500,000 each
 - **Estimated Monthly Rent:** £1,400 - £1,600 each
 - **Total Build Cost for Both Units:** £350,000 - £400,000
4. **Unit 6** - Detached, 3-Bedroom House
 - **Size:** 1,300 sq. ft.
 - **Parking:** Two parking spaces
 - **Build Cost:** £175,000 - £200,000
 - **Estimated Sale Price:** £475,000 - £525,000

- **Estimated Monthly Rent:** £1,500 - £1,700

5. **Unit 7 (Main House)** - Detached, 5-Bedroom House on a Large Plot

- **Size:** 2,850 sq. ft.
- **Parking:** Triple garage and additional parking
- **Build Cost:** £400,000
- **Estimated Sale Price:** £900,000 - £950,000
- **Estimated Monthly Rent:** £3,000 - £3,500

Total Estimated Monthly Rental Income: Approximately **£12,000 - £13,900**

Annual Rental Income: **£144,000 - £166,800**

Financial Summary

Build Costs

The total build costs for each unit, with combined costs where applicable, are as follows:

- **Units 1 & 2 (4-Bedroom Detached):** £450,000 - £500,000 combined for both units
- **Unit 3 (4-Bedroom Detached with Double Garage):** £250,000 - £275,000
- **Units 4 & 5 (3-Bedroom Semi-Detached):** £350,000 - £400,000 combined for both units
- **Unit 6 (3-Bedroom Detached):** £175,000 - £200,000
- **Unit 7 (Main House - 5-Bedroom Detached with Triple Garage):** £400,000

Total Estimated Build Cost for All Units: **£1,625,000 - £1,775,000**

Site Preparation and Infrastructure Cost

Site preparation and infrastructure costs are estimated at **£100,000**.

Total Project Cost with Site Preparation: **£1,725,000 - £1,875,000**

Gross Development Value (GDV)

Based on the latest estimated sale prices for similar properties in the area, the GDV is calculated as follows:

- **Units 1 & 2:** £550,000 - £600,000 each = **£1,100,000 - £1,200,000**
- **Unit 3:** £600,000 - £650,000
- **Units 4 & 5:** £450,000 - £500,000 each = **£900,000 - £1,000,000**
- **Unit 6:** £475,000 - £525,000
- **Unit 7 (Main House):** £900,000 - £950,000

Total Estimated GDV: **£3.975 million - £4.325 million**

Profit Projection and Percentage Against GDV

For the purpose of calculating profit, we have included the **land purchase cost of £1.1 million**. Please note that these figures are **before any stamp duty and additional land acquisition costs**.

1. Total Project Cost Calculation:

- **Build Costs:** £1,625,000 - £1,775,000
- **Site Preparation and Infrastructure Costs:** £100,000
- **Land Purchase Cost:** £1,100,000

Total Project Cost: £2,825,000 - £2,975,000

2. Projected GDV and Profit Calculation: Based on the GDV estimates, the projected profit margins after deducting total project costs are as follows:

- **GDV of £3.975 million:**
 - Projected profit = £3,975,000 - £2,825,000 = **£1,150,000**
 - **Profit Percentage:** $(£1,150,000 / £3,975,000) * 100 = 28.9\%$
- **GDV of £4.325 million:**
 - Projected profit = £4,325,000 - £2,975,000 = **£1,350,000**
 - **Profit Percentage:** $(£1,350,000 / £4,325,000) * 100 = 31.2\%$

This projection shows a potential profit margin ranging from **28.9% to 31.2%**, depending on the final GDV, based on the updated build costs, site preparation, and land purchase price.

Summary

The Stone Lee development provides a promising investment with potential for high returns. With a **total project cost of £2,825,000 - £2,975,000** and an estimated GDV of **£3.975 million - £4.325 million**, the projected profit margin remains attractive for investors. This calculation, however, is **before stamp duty and additional land acquisition costs**, which would need to be accounted for in the final financial analysis.