Appendix 16
Development Appraisal Sensitivity Option 2.1

SENSITIVITY ANALYSIS

Perth City Hall
Option 2.1 - Retail Commercial
Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

Rent Total MRV - 5.000%

Constr. Tot Cost	Capitalisation Yield -1.000%	-0.500%	0.000%	+0.500%	+1.000%
-10.000%	-£780,765	-£968,705	-£1,137,126	-£1,288,403	-£1,425,252
-5.000%	-£969,023	-£1,157,462	-£1,325,916	-£1,477,445	-£1,614,502
0.000%	-£1,157,609	-£1,346,251	-£1,514,849	-£1,666,695	-£1,803,750
+5.000%	-£1,346,398	-£1,535,041	-£1,704,099	-£1,855,943	-£1,992,999
+10.000%	-£1,535,188	-£1,724,262	-£1,893,349	-£2,045,192	-£2,182,601

Rent Total MRV - 2.500%

Constr. Tot Cost	Capitalisation Yield -1.000%	-0.500%	0.000%	+0.500%	+1.000%
-10.000%	-£708,191	-£901,076	-£1,073,676	-£1,228,935	-£1,369,167
-5.000%	-£896,448	-£1,089,578	-£1,262,466	-£1,417,754	-£1,558,417
0.000%	-£1,084,761	-£1,278,369	-£1,451,255	-£1,607,003	-£1,747,665
+5.000%	-£1,273,552	-£1,467,158	-£1,640,411	-£1,796,252	-£1,936,914
+10.000%	-£1,462,341	-£1,656,124	-£1,829,660	-£1,985,500	-£2,126,308

Rent Total MRV 0.000%

Constr. Tot Cost	Capitalisation Yield -1.000%	-0.500%	0.000%	+0.500%	+1.000%
-10.000%	-£635,693	-£833,446	-£1,010,226	-£1,169,466	-£1,313,196
-5.000%	-£823,872	-£1,021,703	-£1,199,016	-£1,358,256	-£1,502,331
0.000%	-£1,012,130	-£1,210,486	-£1,387,806	-£1,547,311	-£1,691,581
+5.000%	-£1,200,705	-£1,399,276	-£1,576,724	-£1,736,560	-£1,880,829
+10.000%	-£1,389,494	-£1,588,065	-£1,765,973	-£1,925,809	-£2,070,078

Rent Total MRV + 2.500%

Constr. Tot Cost	Capitalisation Yield -1.000%	-0.500%	0.000%	+0.500%	+1.000%
-10.000%	-£563,386	-£765,816	-£946,891	-£1,109,997	-£1,257,321
-5.000%	-£751,297	-£954,074	-£1,135,566	-£1,298,787	-£1,446,246
0.000%	-£939,554	-£1,142,602	-£1,324,356	-£1,487,620	-£1,635,496
+5.000%	-£1,127,857	-£1,331,393	-£1,513,146	-£1,676,868	-£1,824,746
+10.000%	-£1,316,647	-£1,520,183	-£1,702,285	-£1,866,118	-£2,013,993

Rent Total MRV + 5.000%

Constr. Tot Cost	Capitalisation Yield -1.000%	-0.500%	0.000%	+0.500%	+1.000%
-10.000%	-£491,079	-£698,187	-£883,678	-£1,050,528	-£1,201,446
-5.000%	-£678,744	-£886,444	-£1,072,116	-£1,239,318	-£1,390,235
0.000%	-£866,978	-£1,074,720	-£1,260,906	-£1,428,108	-£1,579,410
+5.000%	-£1,055,236	-£1,263,510	-£1,449,696	-£1,617,177	-£1,768,660
+10.000%	-£1,243,799	-£1,452,300	-£1,638,597	-£1,806,426	-£1,957,908

Perth City Hall
Option 2.1 - Retail Commercial
Sensitivity Analysis for Phase 1

Sensitivity Analysis : Assumptions for Calculation

Capitalisation Yield

Heading	Phase	Original Value
GF - Retail	1	9.5000%
FF - Retail	1	9.5000%
Stalls etc.	1	12.0000%

These fields varied in Fixed Steps of 0.5000%

Construction Total Cost

Heading	Phase	Original Value
GF - Retail	1	£1,703,160
FF - Retail	1	£1,470,120

These fields varied in Steps of 5.0000 % of the original value

Rent Total MRV

Heading	Phase	Original Value
GF - Retail	1	£237,040
FF - Retail	1	£160,220
Stalls etc.	1	£40,000

These fields varied in Steps of 2.5000 % of the original value

Appendix 17
Development Appraisal Sensitivity Option 2.2

Perth City Hall
Option 2.2 - Cultural
Table of Profit Amount and Profit on Cost %
Sensitivity Analysis for Phase 1

Construction Total Cost				
-10.000%	-5.000%	0.000%	+5.000%	+10.000%
(£3,803,132)	(£4,007,635)	(£4,212,139)	(£4,416,642)	(£4,621,145)
-100.000%	-100.000%	-100.000%	-100.000%	-100.000%

Sensitivity Analysis : Assumptions for Calculation

Construction Total Cost

Heading	Phase	Original Value
GF - Cultural	1	£1,774,125
FF - Cultural	1	£1,531,375

These fields varied in Steps of 5.0000 % of the original value

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ARGUS Developer Version: 4.05.000 Date: 22/04/2010

Appendix 18
Development Appraisal Sensitivity Option 3.1

SENSITIVITY ANALYSIS

COLLIERS CRE

Perth City Hall - Option 3.1 - Partial Demolition and Re-Use of the Building: Retail/Commercial led redevelopment

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

Rent Total MRV - 5.000%

Yield %	-10.000% £314,604	-5.000% £332,082	0.000% £349,560	+5.000% £367,038	+10.000% £384,516
	Construction Total Cost				
-1.000%	(£62,226)	(£101,045)	(£140,087)	(£180,801)	(£221,854)
-0.500%	(£124,753)	(£164,821)	(£205,873)	(£246,925)	(£287,977)
0.000%	(£182,436)	(£223,488)	(£264,540)	(£305,635)	(£346,855)
+0.500%	(£234,824)	(£275,876)	(£317,018)	(£358,292)	(£399,637)
+1.000%	(£281,879)	(£323,046)	(£364,354)	(£405,701)	(£447,177)

Rent Total MRV - 2.500%

Yield %	-10.000% £314,604	-5.000% £332,082	0.000% £349,560	+5.000% £367,038	+10.000% £384,516
	Construction Total Cost				
-1.000%	(£38,430)	(£77,249)	(£116,067)	(£155,636)	(£196,688)
-0.500%	(£102,602)	(£141,679)	(£182,448)	(£223,500)	(£264,552)
0.000%	(£160,554)	(£201,606)	(£242,658)	(£283,710)	(£324,873)
+0.500%	(£214,321)	(£255,374)	(£296,438)	(£337,640)	(£378,980)
+1.000%	(£262,614)	(£303,709)	(£344,945)	(£386,290)	(£427,696)

Rent Total MRV 0.000%

Yield %	-10.000% £314,604	-5.000% £332,082	0.000% £349,560	+5.000% £367,038	+10.000% £384,516
	Construction Total Cost				
-1.000%	(£14,633)	(£53,452)	(£92,271)	(£131,115)	(£171,522)
-0.500%	(£80,451)	(£119,269)	(£159,021)	(£200,074)	(£241,126)
0.000%	(£139,046)	(£179,724)	(£220,776)	(£261,828)	(£302,910)
+0.500%	(£193,819)	(£234,871)	(£275,923)	(£317,060)	(£358,323)
+1.000%	(£243,350)	(£284,402)	(£325,575)	(£366,881)	(£408,226)

Rent Total MRV + 2.500%

Yield %	-10.000% £314,604	-5.000% £332,082	0.000% £349,560	+5.000% £367,038	+10.000% £384,516
	Construction Total Cost				
-1.000%	£8,811	(£29,655)	(£68,474)	(£107,293)	(£146,477)
-0.500%	(£58,300)	(£97,119)	(£136,072)	(£176,649)	(£217,701)
0.000%	(£118,154)	(£157,843)	(£198,895)	(£239,947)	(£280,999)
+0.500%	(£173,316)	(£214,368)	(£255,420)	(£296,481)	(£337,683)
+1.000%	(£224,085)	(£265,137)	(£306,238)	(£347,472)	(£388,817)

Rent Total MRV + 5.000%

Yield %	-10.000% £314,604	-5.000% £332,082	0.000% £349,560	+5.000% £367,038	+10.000% £384,516
	Construction Total Cost				
-1.000%	£31,692	(£5,859)	(£44,678)	(£83,497)	(£122,316)
-0.500%	(£36,148)	(£74,967)	(£113,786)	(£153,223)	(£194,275)
0.000%	(£97,463)	(£136,424)	(£177,013)	(£218,065)	(£259,117)
+0.500%	(£152,813)	(£193,865)	(£234,917)	(£275,969)	(£317,103)
+1.000%	(£204,820)	(£245,872)	(£286,925)	(£328,104)	(£369,408)

Perth City Hall - Option 3.1 - Partial Demolition and Re-Use of the Building: Retail/Commercial led redevelopment

Sensitivity Analysis for Phase 1

Sensitivity Analysis : Assumptions for Calculation

Construction Total Cost

Heading	Phase	Original Value
GF - Retail	1	£349,560
FF - Retail	1	£349,560

These fields varied in Steps of 5.0000 % of the original value

Capitalisation Yield

Heading	Phase	Original Value
GF - Retail	1	9.0000%
FF - Retail	1	9.0000%

These fields varied in Fixed Steps of 0.5000%

Rent Total MRV

Heading	Phase	Original Value
GF - Retail	1	£87,390
FF - Retail	1	£43,695

These fields varied in Steps of 2.5000 % of the original value

Appendix 19
Development Appraisal Sensitivity Option 3.2

SENSITIVITY ANALYSIS

COLLIERS CRE

Perth City Hall
Option 3.2 - Partial Demolition and Re-Use of the Building: Cultural redevelopment
Table of Profit Amount and Profit on Cost %
Sensitivity Analysis for Phase 1

Construction Total Cost

-10.000%	-5.000%	0.000%	+5.000%	+10.000%	
	£327,713	£345,919	£364,125	£382,331	£400,538
(£1,064,764)	(£1,109,819)	(£1,154,874)	(£1,199,929)	(£1,244,984)	
-100.000%	-100.000%	-100.000%	-100.000%	-100.000%	

Sensitivity Analysis : Assumptions for Calculation

Construction Total Cost

Heading	**Phase**	**Original Value**
GF - Cultural	1	£364,125
FF - Cultural	1	£364,125

These fields varied in Steps of 5.0000 % of the original value

Appendix 20
Development Appraisal Sensitivity Option 5.1

SENSITIVITY ANALYSIS

COLLIERS CRE

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

Rent Total MRV - 5.000%

Constr. Tot Cost	Capitalisation Yield				
	-1.000%	-0.500%	0.000%	+0.500%	+1.000%
£	8.000%	8.500%	9.000%	9.500%	10.000%
-10.000%	£597,985	£318,413	£70,774	(£155,992)	(£373,119)
-5.000%	£434,835	£155,262	(£96,072)	(£334,705)	(£553,876)
0.000%	£271,683	(£8,205)	(£271,258)	(£515,210)	(£735,300)
+5.000%	£108,533	(£178,336)	(£451,336)	(£696,474)	(£917,268)
+10.000%	(£56,802)	(£357,918)	(£632,309)	(£878,263)	(£1,099,614)

Rent Total MRV - 2.500%

Constr. Tot Cost	Capitalisation Yield				
	-1.000%	-0.500%	0.000%	+0.500%	+1.000%
£	8.000%	8.500%	9.000%	9.500%	10.000%
-10.000%	£697,817	£410,888	£156,732	(£72,637)	(£290,468)
-5.000%	£534,667	£247,737	(£6,676)	(£246,475)	(£470,754)
0.000%	£371,516	£84,586	(£176,718)	(£426,399)	(£651,902)
+5.000%	£208,365	(£81,708)	(£356,303)	(£607,332)	(£833,608)
+10.000%	£45,215	(£256,067)	(£536,839)	(£788,789)	(£1,015,641)

Rent Total MRV 0.000%

Constr. Tot Cost	Capitalisation Yield				
	-1.000%	-0.500%	0.000%	+0.500%	+1.000%
£	8.000%	8.500%	9.000%	9.500%	10.000%
-10.000%	£797,651	£503,363	£242,690	£10,305	(£208,046)
-5.000%	£634,499	£340,212	£79,540	(£158,960)	(£387,763)
0.000%	£471,349	£177,061	(£86,956)	(£337,847)	(£568,552)
+5.000%	£308,197	£13,911	(£261,617)	(£518,340)	(£749,949)
+10.000%	£145,048	(£155,210)	(£441,590)	(£699,564)	(£931,917)

Rent Total MRV + 2.500%

Constr. Tot Cost	Capitalisation Yield				
	-1.000%	-0.500%	0.000%	+0.500%	+1.000%
£	8.000%	8.500%	9.000%	9.500%	10.000%
-10.000%	£897,483	£595,838	£328,649	£90,454	(£128,039)
-5.000%	£734,331	£432,688	£165,498	(£75,605)	(£305,064)
0.000%	£571,181	£269,536	£2,347	(£249,613)	(£485,427)
+5.000%	£408,030	£106,386	(£167,235)	(£429,528)	(£666,579)
+10.000%	£244,879	(£59,035)	(£346,618)	(£610,422)	(£848,259)

Rent Total MRV + 5.000%

Constr. Tot Cost	Capitalisation Yield				
	-1.000%	-0.500%	0.000%	+0.500%	+1.000%
£	8.000%	8.500%	9.000%	9.500%	10.000%
-10.000%	£997,316	£688,313	£414,608	£170,603	(£50,100)
-5.000%	£834,165	£525,163	£251,456	£7,452	(£222,642)
0.000%	£671,013	£362,012	£88,306	(£161,927)	(£402,406)
+5.000%	£507,863	£198,861	(£77,839)	(£340,990)	(£583,231)
+10.000%	£344,710	£35,711	(£251,976)	(£521,469)	(£764,606)

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Sensitivity Analysis for Phase 1

Sensitivity Analysis : Assumptions for Calculation

Capitalisation Yield

Heading	Phase	Original Value
GF - Retail	1	9.0000%
FF - Retail	1	9.0000%

These fields varied in Fixed Steps of 0.5000%

Construction Total Cost

Heading	Phase	Original Value
GF - Retail	1	£1,632,195
FF - Retail	1	£1,408,865

These fields varied in Steps of 5.0000 % of the original value

Rent Total MRV

Heading	Phase	Original Value
GF - Retail	1	£447,080
FF - Retail	1	£192,953

These fields varied in Steps of 2.5000 % of the original value

Appendix 21
Development Appraisal Sensitivity Option 5.2

Perth City Hall - Option 5.2 - Full Demolition and New Build of a New Facility: Cultural

Table of Profit Amount and Profit on Cost %

Sensitivity Analysis for Phase 1

		Construction Total Cost		
-10.000%	-5.000%	0.000%	+5.000%	+10.000%
(£4,044,155)	(£4,254,303)	(£4,464,450)	(£4,674,598)	(£4,884,745)
-100.000%	-100.000%	-100.000%	-100.000%	-100.000%

Sensitivity Analysis : Assumptions for Calculation

Construction Total Cost

Heading	Phase	Original Value
GF - Cultural	1	£1,774,125
FF - Cultural	1	£1,531,375

These fields varied in Steps of 5.0000 % of the original value

Appendix 22
Development Appraisal Sensitivity Option 5.1(Floor Areas)

Floor Area Sensitivity Outputs

Area	Residual Land Value
0%	-£86,956
-10%	-£105,189
-20%	-£123,422
-30%	-£141,656
-40%	-£159,889
-50%	-£178,589

Argus Output summarised in table above are included below.

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

	Construction Total Area				
Rent Tot Area	-20.000%	-10.000%	0.000%	+10.000%	+20.000%
-20.000%	(£123,422)	(£480,572)	(£843,635)	(£1,208,355)	(£1,574,242)
-10.000%	£225,158	(£105,189)	(£461,082)	(£823,731)	(£1,188,129)
0.000%	£568,992	£242,690	(£86,956)	(£441,590)	(£803,853)
+10.000%	£912,826	£586,524	£260,222	(£68,721)	(£422,142)
+20.000%	£1,256,660	£930,358	£604,056	£277,754	(£50,489)

Sensitivity Analysis : Assumptions for Calculation

Construction Total Area

Heading	Phase	Original Value
GF - Retail	1	14,193 ft²
FF - Retail	1	12,251 ft²

These fields varied in Steps of 10.0000 % of the original value

Rent Total Area

Heading	Phase	Original Value
GF - Retail	1	10,645 ft²
FF - Retail	1	9,188 ft²

These fields varied in Steps of 10.0000 % of the original value

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

	Construction Total Area				
Rent Tot Area	-30.000%	-15.000%	0.000%	+15.000%	+30.000%
-30.000%	(£141,656)	(£681,572)	(£1,228,796)	(£1,778,566)	(£2,329,816)
-15.000%	£379,544	(£114,306)	(£651,976)	(£1,198,242)	(£1,746,965)
0.000%	£895,294	£405,842	(£86,956)	(£622,479)	(£1,167,903)
+15.000%	£1,411,045	£921,592	£432,140	(£59,605)	(£593,105)
+30.000%	£1,926,796	£1,437,342	£947,890	£458,437	(£32,256)

Sensitivity Analysis : Assumptions for Calculation

Construction Total Area

Heading	Phase	Original Value
GF - Retail	1	14,193 ft²
FF - Retail	1	12,251 ft²

These fields varied in Steps of 15.0000 % of the original value

Rent Total Area

Heading	Phase	Original Value
GF - Retail	1	10,645 ft²
FF - Retail	1	9,188 ft²

These fields varied in Steps of 15.0000 % of the original value

SENSITIVITY ANALYSIS

COLLIERS CRE

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

	Construction Total Area				
Rent Tot Area	-40.000%	-20.000%	0.000%	+20.000%	+40.000%
-40.000%	(£159,889)	(£883,752)	(£1,616,202)	(£2,351,642)	(£3,088,845)
-20.000%	£533,929	(£123,422)	(£843,635)	(£1,574,242)	(£2,308,057)
0.000%	£1,221,597	£568,992	(£86,956)	(£803,853)	(£1,532,971)
+20.000%	£1,909,263	£1,256,660	£604,056	(£50,489)	(£764,525)
+40.000%	£2,596,932	£1,944,328	£1,291,724	£639,120	(£14,023)

Sensitivity Analysis : Assumptions for Calculation

Construction Total Area

Heading	Phase	Original Value
GF - Retail	1	14,193 ft²
FF - Retail	1	12,251 ft²

These fields varied in Steps of 20.0000 % of the original value

Rent Total Area

Heading	Phase	Original Value
GF - Retail	1	10,645 ft²
FF - Retail	1	9,188 ft²

These fields varied in Steps of 20.0000 % of the original value

Perth City Hall - Option 5.1 - Full Demolition and New Build of a New Facility: Retail Commercial

Table of Residual Land Price (Target Rate 20.00%)

Sensitivity Analysis for Phase 1

	Construction Total Area				
Rent Tot Area	-50.000%	-25.000%	0.000%	+25.000%	+50.000%
-50.000%	(£178,589)	(£1,087,026)	(£2,005,534)	(£2,927,550)	(£3,851,116)
-25.000%	£688,314	(£132,539)	(£1,035,941)	(£1,951,501)	(£2,870,803)
0.000%	£1,547,898	£732,144	(£86,956)	(£985,795)	(£1,899,053)
+25.000%	£2,407,483	£1,591,728	£775,972	(£41,372)	(£936,067)
+50.000%	£3,267,068	£2,451,311	£1,635,557	£819,803	£4,048

Sensitivity Analysis : Assumptions for Calculation

Construction Total Area

Heading	Phase	Original Value
GF - Retail	1	14,193 ft²
FF - Retail	1	12,251 ft²

These fields varied in Steps of 25.0000 % of the original value

Rent Total Area

Heading	Phase	Original Value
GF - Retail	1	10,645 ft²
FF - Retail	1	9,188 ft²

These fields varied in Steps of 25.0000 % of the original value