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Westfields Homes – an established London and regional developer known for bespoke residential schemes – uses Aprao to efficiently assess the viability of sites and ensure accuracy when creating and sharing development appraisals.

Westfields Homes' projects span across London and the associated regions, and it has been operational since 1992, seeing its team as "more of a family than a business". Its current schemes include the development of a collection of 8 contemporary designed, three-bedroom family homes in Edmonton; a community development of 24 apartments and 8 new houses over the Windrush Valley; as well as smaller luxury homes and residential developments like a 32-unit building in the Cotswolds.

Its past developments span across Gloucestershire, North and East London, and Hertfordshire to name a few areas. As a result, Westfields Homes has developed a reputation for meeting time constraints with exceptional design, attention to detail and for working within prime, sought-after locations.

In 2021, as the business continued to thrive and expand, Westfields Homes looked to implement efficient ways of operating and collaborating between its core team of over 10 people and its land purchase, site and project managers. They also wanted to update appraisals according to market conditions and supply chains in an easier way. They found Aprao as an effective way to inform internal and external stakeholders and assess the viability of residential schemes most accurately.

In speaking to Aprao, James Varley, Director at Westfields Homes, surmised that they chose to use Aprao's software because "the numbers you put into its tool are quite straightforward. In terms of a baseline for a project; it gives us a very swift, robust answer as to whether a project is viable and something we want to take all the way on and put in a bid for, and hopefully secure that bid quite quickly. We have a small team and need to dial into opportunities and raise capital very quickly – Aprao makes it a very robust, decision-making approach."

Image courtesy of Westfields Homes.





Prior to using Aprao, Westfields Homes used an excel-based approach to evaluate schemes; relying on a model that they had developed in-house over the years. This worked well to a degree on certain projects, until they needed a malleable solution that would enable operation at scale with larger schemes, particularly as they were expanding towards more developments in excess of 400 units.

The team needed a solution that enabled cross-collaboration with limited errors, and delivered decisions on time to secure bids for popular, sought-after schemes. When evaluating what type of development appraisal solution they wanted to implement across the business to address this, James explains that “first and foremost, we needed a solution that was about user-friendliness and simplicity – ultimately that most people across the business could use accurately and work with. This is because errors occur when things become overly complex and people bypass aspects because they don’t understand them or if it’s too complicated for what they need the appraisal to do.”

It was at this point James met Nick Fisher, MRICS – Sales Manager at Aprao – who introduced Westfields Homes to a free trial of Aprao’s software; a cloud-based financial modelling tool for real estate. Aprao enables swift finance calculations, cash flow forecasts, other associated project costs, team sharing functionality, report generation and the ability to access development appraisals on the go.

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Image: Westfields Homes; a development of four new-build semi-detached houses situated near Sunbury train station and local amenities (2021).

Ultimately, Aprao delivered on the value proposition of simplicity; which is exactly what Westfield Homes were looking for to tackle larger schemes under shorter time pressures. "On the Aprao trial run," James tells us, "it was instantaneously very user-friendly and did a lot of the things we wanted very quickly. Aprao doesn't try to make [its interface] too complicated. As a team, we need the ability for collaboration and to make sure that our software is robust for the purposes we need."

This ease of use is what convinced Westfields Homes to choose Aprao over other third-party software providers, which Westfields Homes had previously spent time researching and trialling but found to be unnecessarily complicated. "We started looking at the other usual leaders in the field, but we weren't a fan of the overly complex nature of the reports they generated. With other providers, you need massive training and it's very expensive, whilst a lot of the data was unnecessary - I think people hide behind the numbers because if the numbers a tool shows are very complex, users think they must be true," James states.

"However, in my mind, it's about making things simple that were previously quite complex. You need to understand the data you're putting into your appraisal thoroughly to really test them, whereas, in Aprao, the numbers you are putting in are quite straightforward."

Westfields Homes uses Aprao's team functions to share appraisals back and forth between project managers and employees, enabling the key people in the business to collaborate and edit the same appraisals within a few short clicks. Aprao's instant report generation function, with sensitivity analysis, ensures the appraisal is presented clearly for development finance lenders. "Aprao works right the way from the initial appraisal with our land teams - all the way through to presenting to our funders, then sending it off to our build department to ensure that they have had a look at the build numbers and how we appraise that. Aprao very easily allows us to send that information across the whole business, agree on those numbers and benchmark if we're going to proceed on a project. It enables everyone in the business that needs to, to very quickly know the numbers."

Image: Westfields Homes – A contemporary development of ten 1,2 and 3 bedroom apartments and a three bedroom detached family house in Chalk Hill, Bushey (2021).





Owing to the pandemic, Westfields Homes has seen its business expanding, and like many housebuilders, has had to adapt to the ever-changing market conditions. It has found Aprao helpful in navigating the housebuilders' market boom.

When looking at larger sites for the business in the range of £5 to £15 million purchases, Aprao has helped Westfields Homes to evaluate multiple residential developments upward of 200 units and enabled running appraisals in a standardised way within which they could easily manipulate the stress points on projects; thus expediting the decision-making process through trialling out multiple development scenarios.

Image: Little Windrush, Gloucestershire is a new development consisting of 8 New Houses and 24 Apartments (2021).

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Finally, throughout the process, Westfield Homes has also benefitted from interacting with Aprao's customer success team; "we enjoyed an extended trial period and the experience with team Aprao has been very good and seamless. Aprao's software presents very well, it feeds into our structure very neatly and professionally, and gives us the confidence to put our bids into our funders on the sites that we want to pursue."

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The image shows a hand holding a tablet displaying the Aprao software interface. The interface is for a 'Personal board' and shows the 'Initial appraisal' for '12 Portugal Street, London (E)'. The main section is titled 'Purchase of the existing building' and contains the following data:

Field	Value
Residual value	£ 4,449,018.67
Purchase price*	£ 4,500,000
Current use class	Residential
SDLT (calculated)	£ 588,750
Legal fees	0.5 % £ 22,500
Agent fees	1.5 % £ 67,500
Effective SDLT rate	13.08 %
Total	£ 5,178,750

Buttons: DELETE, ADD PURCHASE ELEMENT, DUPLICATE

Summary:

Field	Value
Total purchase cost	£5,178,750.00

Key Metrics:

Metric	Value
RoC	19.46%
Project IRR	26.16%
RoGDV	15.94%
Equity IRR	159.59%
RoE	144.17%
Units	28
GIA (H)	23,720
NIA (H)	19,650

Summary Appraisal:

Field	Value
Gross Development Value	£16,290,000.00
Costs	£351,500.00
Net Development Value	£15,938,500.00
Purchase Cost	£5,178,750.00
Build Cost	£6,920,500.00
Other Cost	£607,900.00
Finance Cost	£634,581.50
Total Costs	£13,341,731.50
Target profit	£2,668,346.30
Profit	£2,768.50
Residual Site Value	