# **East Thames Group**

# **Appraisal for Rent & Sale**

SDS ProVal Version 9.13 Nov-2012

Saved file path: Q:\Development\Applications\Proval\Working Provals\Epping Forest House Building

**EFDC - Marden Close** Scheme Name

IG7 6ER

**Funding Year** 2013/2014 Local Authority **Epping Forest** 

LA Number 361

County Essex

Date 24 Jun 2013

Another Desciption

Project/File Ref.

Appraisal by georg.herrmann

Scheme Description

Sketch Drw'g No.

Site Area (acs)

0.00 ha

Seller

Units 10

Appraisal Version 1

Comments

See also Commentary in Rent Summary

Market value taken from Hometrack valuation in Feb 2012, retreat Way, IG7 6EL £175,000 on Q1 2013/14 = Nationwide HPI calculator market value of £74,794 in Q1 1999

#### **A Unit Details**

	A	В	С	D	E	F	G	н	TOTALS
Unit Description  Net Area m²  Bedrooms	58.40 1-bed	<b>62.70</b> 1-bed							605.50 m²
Persons	2	2							20
Units	5	5	···						10
Commercial - y?	n	n							1
Flat (not house) -y?	n	n					3344000-1-10022100010(10		
Shared Accom y?	n	n					1		
Habitable Rooms	2	2							20
Storeys	2	2						1	
Value at Jan' 1999	74,794	74,794							
Market Sales Value	175,000	175,000							1,750,000
Product Type	Social Rent	Social Rent					l l		Res. 1,750,000
Catalyst Dev. Type	New Build	New Build		1		1		1	
Other Description									
Sales % at Outset									
Res' Sold Equity	0	0	0	0	0	0	0	0	0
Res' Unsold Equity	175,000	175,000	o	0	0	0	0	0	1,750,000
Initial Commercial Sales	l ol	0	o	0	0	0	0	0	0

**Confirm Gross Floor Area** 

Residential Floor Area 0.00 Commercial Floor Area **Total Floor Area** 

Net m<sup>2</sup> Adjust by % and/or by m<sup>2</sup> 605.50

Gross m<sup>2</sup> 605.50 0.00 6,517.60 605.50

Gross ft<sup>2</sup> 6,517.60 0.00 Habitable Rooms Summary Residential Rent 20 Residential Sale 0

Other 0 20 Total

## **B Acquisition & Works Cost**

ACQUISITION	Input Type	Input	Total	VAT %	Average per Unit	Average per Person	Memoraliquiti intorniation
Use Value from Land Appraisal, Acquisition Total 0.0% of Marke		VAT Total	0		o	o	
Acquisition Total			0		0	0	
•							
WORKS	Input Type	Input	Total	VAT %	Average per Unit	Average per Person	
Works	Lump Sum	290,000	290,000		29,000	14,500	
Asbestos removal	Lump Sum	25,000	25,000		2,500	1,250	4.77%
Demolition	Lump Sum	37,000	37,000		3,700	1,850	
Abnormals	Lump Sum	50,000	50,000		5,000	2,500	
Contingency + design	Lump Sum	46,400	46,400		4,640	2,320	
Use Total from Land Appraisal,	y/n?						
Works Total 25,62% of Market S	SV .	VAT Total	0		0	0	
Works Total	741 /m² nfa	741 /m² gfa	448,400		44,840	22,420	

Acquisition & Works Summary		Total	Average per Unit	Average per Person	
Total	741 /m² nfa	741 /m² gfa	448,400	44,840	22,420

A&W as % of Market Sales Value

25.62%

Acquistion Total Entered

Acquisition Works Dev. Interest

Net Loan

0

**Account Codes** 

Optimisation Target % for A&W/Market Sales Value

Market Value, if Different Land Discount

0

For optimisation of Total Scheme Costs see Section F

C Development Subsidy			Grant Input by Product Type	Grant Per Unit	Social Rent		
Received during development period	Total	Av'ge per Res' Unit	Average per Person	% TSC as Section F			
As Defined by Product Type Table	0				Sources of Subsid	y HCA	
Input by %	0				Other	LA	
Input by Sum Per Unit	0				Other Other	RCGF Total Other	
Other Sum Description Total	0	0	0	0.00%		TOTAL	
				Expected SHG 1	to Set Aside When to be Set Aside et Aside (if applica	0	
Development Fees		1					
Use Fees in Land Appraisal, y/n?	n						
Or User Defined Fees & Interest %	n						
			VAT Rate	20.00%			

Description	Input Type for Sums	Input Sum	Input Type for %	Input %	VAT - y?	Account Codes	Gross Total
East Thames fees Feasibility Planning fee	Lump Sum	1,375			n		0 1,375 0
Post planning fee Site Survey			% Aq & Wks % Wks Cost		n n		28,249 5,605
Planning survey Party Wall Surveyors S 106	Lump Sum	1,500			n n		0 1,500 0 0
							0
							(
							0
							(
			-		Developm	ent Fees Total (excl. interest)	36,729

F	Scheme	Timine
-	Juicille	111111111111111111111111111111111111111

Include Interest, y/n? y
Cashflow Start (mmm-yyyy) Oct-2013
Interest %, Negative Bal's 3.50%
Interest %, Positive Bal's 3.50%

Month No. 1

Note
The following timings define a default interest calculation.
To enter user-defined sums, enter Cashflow Start date then manually adjust Development Cashflow and set cell at end of this section accordingly

Development Subsidy	Receipts Spread Method	By equal	Receipt Start Month No.	to	Receipt End Month No.		Development Subsidy Summary
No receipt details req'd.  Balance	0	0 0 0	4	Jan-2014	4	Jan-2014	As Prod. Type All Other (Total) Total Dev. Subsidy 0
Total		0					
Acquisition Costs					Payment Month No.	]	Acquisition Summary
No payment details req'd,	01	0					Acquisition Total 0
Balance Total	0	0				Ţ	
Works Costs	Cost Spread Method		Expdt. Start Month No.	to	Expdt. End Month No.		Works Summary
100% of Total Second Sum Balance		448,400 0	4	Jan-2014	15	Dec-2014	Works Total 448,400
Total		448,400		*	,	•	
Development Fees	Cost Spread Method	By equal amounts	Expdt. Start Month No.	to	Expdt. End Month No.	]	Dev. Fees Summary
100% of Total Second Sum Balance	1	36,729 0 0	1	Oct-2013	15	Dec-2014	Fees Total 36,729
Total		36,729	G.		,112		
Initial Sales		By equal amounts	First Sale Month No.	to	Last Sale Month No.	]	Sales Summary
Overall Sales Period - Reside Overall Sales Period - Comm							Residential 0 Commercial 0
Substitute User-defined Inte Default Interest not Selected User-defined Interest Cost		y 0 8,735		De	ivelopment Perio First Even Last Even	t Oct-2013	As defined on the Scheme Cashflow

## **F Total Scheme Cost**

		% TSC	Analysis of RSL Funding		Per Unit	Per Person	% of TSC
Acquisition & Works as Section B	448,400	90.8%	Receipts from Initial Sales	0		7571	
Development Fees as Section D	36,729	7.4%	Advance Rent Income	0			
User-defined Interest Cost	8,735	1,8%	Loan Adjustment	0			
Other Costs or Savings(-)			RSL Capital Contribution	0			
Other Costs or Savings(-)			Net Loan	493,864	49,386	24,693	100.0%
Total Scheme Cost (TSC)	493,864	100.0%	Total RSL Funding	493,864	49,386	24,693	100.0%
			Analysis of Subsidy & Other Ful	nding			<u>-</u>
TSC as % of Market Sales Value	28.2%		As Prod. Type	0			
			Other	0			
Optimisation			Other Sum	0			
Target % for TSC/Market Sales Value	90.0%		Total Other Funding	0	0	0	0.0%
Alternative Solutions:							

Total spend in TSC available 1,081,181 Affordable Acq. Total 981,609 98,161 per unit, or 49,080 per hab. room or

143,001 per unit, or 2,362 per gross m² 1,430,009 Affordable Wks. Total or Optimisation results for Acq. and Wks. assume that development fees & interest remain at 9.2% of TSC  $\,$ 

## **G Private Finance**

Private Finance Requirement at Year 1	Ĩ	% of TSC	% of MSV		Loan Repaymen	t Method	
Total Scheme Cost - as Section F	493,864	100.0%	28.2%	Annuity y/n?	n	Interest Only N	lethod Chosen
Development Subsidy - as Section C	0			Leave blank			
Receipts from Initial Sales	0						
Advance Rent Income	0						
Loan Adjustment					Value:Loan Ra	tios & Affordable	Loan Values
Capital Contribution at Year 1					Current Mar	ket Sales Value	1,750,000
Net Loan, before Sales (Section J)	493,864	100.0%	28.2%		NPV of	Net Rent Only	578,636
					Hear	Specified Value	

Apportionment of Net Loan & Long Term Interest Rates

		Loan A	Loan B	
Loan A: %	Apportionment	100.00%	0.00%	]
	Loan Amounts	493,864	0	
		Interest Rate	Interest Rate	Effective Rate %
		%	%	Lifective Nate 70
Year 1 to	45	3.50%		3.50%

578,636 User Specified Value Current Market Sales Value: Net Loan % 354.3% NPV of Net Rent:Net Loan % 117.2% User Specified Value:Net Loan % 0.0%

Value:Net Loan, Target % Affordable Loan on NPV Value Affordable Loan on User Spec. Value

## **H** Inflation

Inflation Margir	ns & Periods	for Income			Inflation Ma	argins & Perio	ds for Allov	wances	
Residential Ten	ant Pent		Margin on Base Rate	Effective Inflation Rates	Manageme	nt		Margin on Base Rate	Effective Inflation Rates
Period 1		45	0.50%	3.00% 0.00%	Period 1	Year 1 to	45	1.00%	3.50% 0.00%
Commercial Re	nt - n/a				Maintenand	ce			
	Year 1 to	45	<u> </u>	-	Period 1		45	1.00%	3.50% 0.00%
Ground Rent					Reinstatem	ent		-,	
Period 1	Year 1 to	45		2.50% 0.00%	Period 1	Year 1 to	45		2.50% 0.00%
Services (Charg	es & Costs)				Another All	owance			
Period 1	Year 1 to	45	0.00%	2.50% 0.00%	Period 1	Year 1 to	45	0.00%	2.50% 0.00%
Market Sales V	alues (Reside	ential)			Major Repa	airs			
Period 1	Year 1 to		0.00%	2.50% 0.00%	Period 1	Year 1 to	45	1.50%	4.00% 0.00%

0.00%

	A	В	С	ignoring future	E	F	G	н		eighte
oduct Type	Social Rent	Social Rent							Aver	ages a Year
ommercial						1 1				
umber of Units	5	5	- 1			1 1				Unit
es' Shared Equity?	n	n	1					1	A۱	vailabl
op. Ava'ble for Rent?	y	У								1
I I Carolina San Commission Commi	n/ - Commonweal	Paral Carried Day	L C Carrian Cl		le:			0		
Year 1 to 45	% of Gross Rent	(excl. Ground Ren	t & service Cr	larges) less voil	15:	1				0.009
rear 1 to 145								1		
VAT to M. Ag.	1									
0289								n, Shared Equity		
SL Management	Per Unit Per And					Defa	ult value for in	formation, Rent	275	4 22
Year 1 to 45	1,327	1,327						<b></b>		1,32
laintenance	Per Unit Per Anı	num.				Defa	ult value for ir	formation, Rent	691	
Year 1 to  45	910	910								91
				***************************************	***************************************	1				
	*							_		
	Α	В	С	D	E	F	G	н	ls	
roduct Type	Social Rent	Social Rent				1				
es' Shared Equity?	n	n								
rop. Ava'ble for Rent?	У	У						<u> </u>		
ervices Cost	Per Unit Per An	num								
Year 1 to 45						1				
						A PROPERTY OF THE PROPERTY OF		23 (230) 22 10 10 10 10 10 10 10 10 10 10 10 10 10	Į.	
	V457 1955									
einstatement Cost	Per Unit Per An	num				T			1	
Year 1 to 45				***************************************		+			1	
									İ	
nother Allowance	Per Unit Per An	num						,,	]	
Year 1 to 45									ļ	
	Mary 1997/1997/1997/1997/1997/1997/1997/1997	6.00-9.00-9.00.000.000.000.000.000.000.00						0. 10		
	THE ROLL WAS THE COMPANY					Default value	tor information	on, Shared Equity	0.00%	
oids & Bad Debts		ts & Service Charge	es		T	Der	auit value for i	nformation, Rent	4.25%	2.00
Year 1 to 45	2.00%	2.00%							İ	2.00

# J Sales & Other Capital Receipts

Defer the Start of the Sinking Fund to Year

4	Other	Canital	Docoin	te in	lang	Tarm	Cashflow
т.	Other	Capitai	Keceip	111 <i>23</i> 1	roug	rem	CazillioM

All capital income is deemed to be received at the end of the year entered.

Sinking Fund at Year 7

Lump Sum Description Infla'd Sum Description

## 2. Unit & Ground Rent Sales

All sales are deemed to be received at the end of the year entered. For Sales & Equity Shares at the outset, enter in Section A

7

		D	c	D	F	F	G	н	Total for all
	A	В							
Product Type	Social Rent	Social Rent							Units
Units	5	5	0	0	0	0	0	0	
Commercial									
Market Sales Value	175,000	175,000	0	0	0	0	0	0	
Available for Sale	уу	х							
Sell units at end of Year	11174 - Attoca (2012-artoca 2012-100)								
Value for Sale at Yr. 1	175,000	175,000	0	0	0	0	0	0	
Rec'd at Year of Sale	0	o	o	0	0	0	0	0	0
Total Received	0	o	0	0	ol	0	0	0	
Sell Gr'd Rents at Year				73.03.000.000.000.000					
Capital'd %	1 of	ol	0	ol	O	0	0	0	0

Set Ground Rents in Section L. Inflation is applied to Year 2 onwards.

shared equity units and units fully sold at the outset are

#### K Cost Rent at Year 1

No. of Weekly Rent Periods p.a. 52.18

Loan Interest is on the full Net Loan. The long term cashflow uses an averaged interest after receiving rent.

	Year 1
Loan Interest	17,285
Managing Agent	a
RSL Management	13,270
Maintenance	9,100
Services Cost (S.C.)	
Reinstatement Cost	l o
Another Allowance	l c
Major Repairs	l c
Voids etc. 2.0%	809
Total Cost at Year 1	40,465

vne	ype Commercial	Rent p.w. excl.	S.C.	Total p.w.	Total p.m.		
ype		S.C.	p.w.	Total p.w.	Total p.iii.		
	n	74.80	0.00	74.80	325.23		
	n	80.30	0.00	80.30	349.18		
		0.00	0.00	0.00	0.00		
		0.00	0.00	0.00	0.00		
		0.00	0.00	0.00	0.00		
		0.00	0.00	0.00	0.00		
		0.00	0.00	0.00	0.00		
		0.00	0.00	0.00	0.00		
	77.55 per wee	ek (ex. S.C.)	337.20 per month (ex. S.C.)				
Averages	77.55 per uni	t per week	337.20 pe	r unit per month			
66.83 per ne	m² (ex. S.C.)		66.83 per net	m <sup>2</sup> (incl. S.C.)			

an averaged interest after receiving rent. Therefore Cost Rent is overstated.

Loan Interest is on the Opening Loan, The long term cashflow uses NB For calculating the Total Cost at Year 1, Voids and Managing Agent costs use a unit average. These costs will vary with the actual rent and with the Managing Agent and Voids percentages for each dwelling

# L Set Rents & Service Charges for Long Term Cashflow

Cost Rent & S.C., p.w.	Α	В	С	D	E	F	G	н	Total at Year 1
Product Type	Social Rent	Social Rent							
Commercial									
Target - April 2014	97.27	97.27	0.00	0.00	0.00	0.00	0.00	0.00	
Rent Cap	136.79	136.79	0.00	0.00	0.00	0.00	0.00	0.00	
Service Cost p.w.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Cost Rent p.w. excl. S.C.	74.80	80.30	0.00	0.00	0.00	0.00	0.00	0.00	
Total Cost Rent p.w.	74.80	80.30	0.00	0.00	0.00	0.00	0.00	0.00	40,46
Commercial Rents n/a									
Year 1 to									
		-							
These Options n/a	Set Initial Rent Fr	ee Period (month	ns)	m	onths				
	Rent Review Perio	od, i.e. rent fixed	for	ye	ears				
			for _		ears				
Preferred Yield % on Unsol	d Equity (Shared Ed		for	2.75%	ears				
Preferred Yield % on Unsol Residential Shared Equity u	d Equity (Shared Ed		for _		ears				18
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share %	d Equity (Shared Ed		for		ears				
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share %	d Equity (Shared Ed		for		ears				
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty	d Equity (Shared Ed		for		ears				
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield	d Equity (Shared Ed		for		ears				
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance	d Equity (Shared Ed	quity Units)			ears				
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance	d Equity (Shared Ed	quity Units)			ears				50,75
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren	d Equity (Shared Edition only	quity Units)			ears				50,75
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren Year 1 to 45	d Equity (Shared Edition only  ts per week as at Y  97.27	quity Units)			ears				50,75
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren Year 1 to 45 Set all service charges rece	d Equity (Shared Edition only  ts per week as at Y  97.27	quity Units)			ears				50,75
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren Year 1 to 45	d Equity (Shared Edition only  ts per week as at Y  97.27	quity Units)			ears				50,754
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren Year 1 to 45  Set all service charges rece Year 1 to 45	d Equity (Shared Edition of Shared Edition of Sh	quity Units)			ears				50,75
Preferred Yield % on Unsol Residential Shared Equity u Unsold Equity Share % Cost Rent % of u/s Eq'ty Rent p.w at 2.75% Yield Local Housing Allowance Set Residential Tenant Ren Year 1 to 45 Set all service charges rece	d Equity (Shared Edition of Shared Edition of Sh	quity Units)			ears				50,754

Rent Yields as at end of Year	1	Gross	Net
Total All Revenue Income, ex. voids at Yea	r1	49,739	27,369
Compared with Market Value at Year 1	1,750,000	2.84%	1.56%
Compared with Total Scheme Cost of	493,864	10.07%	5.54%
Compared with Acquisition Cost of	0		

Rent Yields as at end of Year	Gross	Net

Residential at Start of Year 1 50.754 Gross Rent 1,750,000 Market Value 2.90% Yield Commercial at Start of Year 1 0 Gross Rent Market Value Yield

NPV of Gross Rent & S.C. ex. Voids, divided by Open'g Loan, p.a. NPV of Net Rent less loan interest, divided by Open'g Loan, p.a. NPV Period & Discount Rate: 30 years at 3.50%, as defined in Section M 9.2% 2.6% at Year 1

Calculation of Affordable Loan Based on Net Income at Year 1

Tatal Cat Bank	50,754
Total Set Rent	50,754
Service Charges	0
Ground Rents	0
Managing Agent	0
RSL M'ngm'nt & Maint.	22,370
Services Cost	0
Reinstatement Cost	0
Another Allowance	0
Major Repairs	0
Voids & Bad Debts	1,015
Net Income at Year 1	27,369

1	Per Unit p.a.	Per Unit p.w.	Per Unit p.m.
Set Residential Rent	5,075	97.27	422.95
Set Commercial Rent	0		

493,864 Actual Loan 794,413 Assuming net income meets Year 1 loan costs Affordable Loan Difference 300,549 Equivalent to the capitalised Year 1 net revenue surplus.

#### M Long Term Cashflow

Max. Annual Deficit: Year

Cum. Surplus at Year 30

Capitalised Yr. 1 Net Revenue Surplus

NPV Net Rent + Cap. Val. - Loan

Loan Repayment Method Interest Only

Peak Loan Occurs in Year 1 Revenue First Exceeds Costs Loan Repaid by

493.864 Year 1 Year 25

4.77%

578,636

NPV Calculation Options Net Rent + Cap. Val. - Loan **NPV Discount Rate** 3.50% Summarise Cashflow Results to Year 30

Per Unit Per Person n/a 300,549 30,055 15,027 216,656 21,666 10.833 8,477 4,239 84,772

Capital Value of Scheme - Year 1 Capital Growth Rate p.a. Discounted Cap. Value

> Interest Total 251,906 Min. Interest Cover: Year 1 162,44% Target Interest Cover % 115.00% First met after Year 1 in Year 2

NPV of Net Rent Only Last Works payment in Scheme Cashflow Dec-2014 NPV of All Capital Receipts Year 483,344 471,735 458,982 445,026 429.807 413,262 401.801 389.366 493,864 Opening Loan 15,093 16,849 14,548 14,057 13,647 13,203 16,469 16,052 15,593 Average Interest n Other Capital Receipts 0 0 0 0 0 0 0 0 Sales Receipts Λ 0 0 0 0 0 Staircasing Receipts 0 n Ω 0 0 0 0 0 n 0 0 0 Gr'd Rent Sales Rec'pts 26.656 28,805 29,549 30,312 31.093 25.518 26.082 27,369 28,078 Loan Repayment, Total 429,807 413,262 401,801 389,366 375,913 483,344 471,735 458,982 445,026 **Closing Loan** 60,603 62,421 64,294 57,124 58.838 55,460 53.845 Gross Resid'l Rent 50,754 52.277 0 0 0 Gross Comm'l Rent 0 0 0 0 0 0 0 0 0 0 0 0 Service Charges 0 0 0 Ω 0 0 **Ground Rents** 1.248 1.286 1,015 1,046 1,077 1,109 1,142 1,177 1.212 Voids 57,661 59,391 61,173 63,008 54,351 55,982 51.231 52,768 s/t 49,739 Managing Agent 0 0 0 16,883 17,474 15,228 15,761 16,312 RSL Management 14.215 14.713 13,270 13,734 11,186 11,578 11,983 10,442 10.808 9,100 9,419 9,748 10,089 Maintenance 0 0 0 0 0 0 0 0 Services Cost 0 Λ Λ O Ω 0 0 Reinstatement Cost 0 0 0 0 0 0 0 Another Allowance 0 6,374 6,629 6,895 0 0 Major Repairs 0 0 26,656 29.549 30,312 31,093 25,518 26,082 28,805 **Net Rent** 27.369 28,078 16,545 11,461 12,435 13,453 11,609 12,753 13,956 15,219 10,520 Net Rent + Rec'ts - Inter't 0 0 0 0 0 Cashflow 0 0 0 0 0 0 0 0 0 0 0 0 Cum. Balance 17 15 16 13 14 Year 10 11 12 249,210 225,837 310.985 291.727 271.154 375,913 361,396 345,768 328,981 Opening Loan 7.390 8.997 8.219 11,649 11,051 10,411 9.727 12,723 12,205 Average Interest 0 0 0 0 0 0 0 0 Other Capital Receipts 0 0 0 0 n 0 0 0 Sales Receipts 0 0 0 0 0 0 0 Staircasing Receipts 0 0 0 Gr'd Rent Sales Rec'pts n 0 0 0 0 29,669 30,301 30,941 31,592 32,251 29.048 27,240 27,833 28,436 Loan Repayment, Total 225.837 200.976 249,210 328,981 310,985 291,727 271.154 361,396 345,768 Closing Loan 72,363 74,534 76,770 79,073 81,445 83,889 66,223 68,209 70,256 Gross Resid'l Rent 0 0 Gross Comm'l Rent 0 0 0 0 0 0 0 0 Service Charges n Ω 0 0 0 0 Λ n n 0 **Ground Rents** 1,678 1.535 1,581 1,629 1,324 1,364 1.405 1.447 1.491 Voids 70,916 73,043 75,235 77,492 79,817 82,211 64,898 66,845 68,850 s/1 n 0 0 Managing Agent 0 0 20,754 21,480 22,232 23,010 23.815 18.086 18,719 19,374 20,052 **RSL Management** 14,730 15,246 15,779 16,332 14,232 13.751 Maintenance 12,402 12,836 13,286 0 0 Services Cost n 0 Ω 0 0 0 0 0 0 0 0 0 Reinstatement Cost 0 0 0 0 0 0 0 0 Another Allowance 9,436 8,066 8,388 8,724 9.073 9.813 7,170 7,457 7,755 Major Repairs 29,048 29,669 30,301 30,941 31,592 32,251 27.833 28,436 **Net Rent** 27,240 23,373 24,861 20.573 21,944 14,517 15,628 16,787 17,996 19,258 Net Rent + Rec'ts - Inter't 0 0 0 0 0 0 0 Cashflow 0

0

٥

0

0

0

0

0

0

Cum. Balance

	22									
	Year	19	20	21	22	23	24	25	26	27
Opening Loan		200,976	174,566	146,543	116,841	<b>85,393</b> 2,420	<b>52,129</b> 1,244	<b>16,976</b> 161	<b>0</b> 0	0
Average Interest Other Capital Receipt	.	6,509 0	5,574 0	4,582 0	3,532 0	2,420	1,244	101	0	o
Sales Receipts	,	0	0	0	o	ō	ō	0	0	0
Staircasing Receipts		0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'p		0	0	0	0	0	0 36,397	0 17,137	0	0
Loan Repayment, Tot Closing Loan	al	32,920 <b>174,566</b>	33,598 <b>146,543</b>	34,284 <b>116,841</b>	34,980 <b>85,393</b>	35,684 <b>52,129</b>	16,976	0	0	ŏ
Closing Coan		174,500	240,545		30,220	,	,-			
Gross Resid'l Rent		86,405	88,998	91,668	94,418	97,250	100,168	103,173	106,268	109,456
Gross Comm'l Rent		0	0	0	0	0	0	0	0	0
Service Charges Ground Rents	- 1	<b>0</b> 0	<b>0</b> 0	0	0	0	o	o	ō	ō
Voids		1,728	1,780	1,833	1,888	1,945	2,003	2,063	2,125	2,189
	s/t	84,677	87,218	89,834	92,529	95,305	98,164	101,109	104,142	107,267
Managing Agent		0 24,649	0 25,512	0 26,404	0 27,329	0 28,285	0 29,275	0 30,300	0 31,360	32,458
RSL Management Maintenance	- 1	16,903	17,495	18,107	18,741	19,397	20,076	20,778	21,506	22,258
ervices Cost		0	0	0	0	0	0	0	0	0
Reinstatement Cost		0	0	0	0	0	0	0	0	0
Another Allowance Major Repairs		10,206	10,614	11,038	11,480	11,939	12,417	12,913	13,430	13,967
Vet Rent		32,920	33,598	34,284	34,980	35,684	36,397	37,118	37,847	38,584
Vet Rent + Rec'ts - Inter	·t	26,410	28,023	29,702	31,448	33,264	35,153	36,957	37,847	38,584
	.			•						
Cashflow		0	0	0	0	0	0	19,981	37,847	38,584
Cum. Balance		0	0	0	0	0	0	19,981	57,828	96,411
	Year	28	29	30	31	32	33	34	35	36
Opening Loan	rear	0	0	0	0	0	0	0	0	0
Average Interest		0	0	0	0	0	0	0	0	0
Other Capital Receipt	ts	0	0	0	0	0	0	0	0	0
ales Receipts taircasing Receipts		0	0	0	0	0	0	0	ő	0
Gr'd Rent Sales Rec'p	its	0	ō	0	0	0	O	0	0	0
oan Repayment, To	tal	0	0	0	0	0 <b>0</b>	0 <b>0</b>	0 <b>0</b>	0 <b>0</b>	0
losing Loan		0	0	0	0					
iross Resid'l Rent		112,740	116,122	119,605	123,194	126,889 0	130,696 0	134,617 0	138,655 0	142,815 0
iross Comm'l Rent ervice Charges		0	0	0	0	0	0	0	o	o
Fround Rents		0	ō	0	0	0	0	0	0	0
oids -		2,255	2,322	2,392	2,464	2,538	2,614	2,692	2,773	2,856
Annaire Anna	s/t	<b>110,485</b> 0	<b>113,799</b> 0	<b>117,213</b> 0	<b>120,730</b> 0	<b>124,352</b> 0	<b>128,082</b> 0	<b>131,925</b> 0	<b>135,882</b> 0	<b>139,959</b> 0
Managing Agent RSL Management		33,594	34,770	35,987	37,246	38,550	39,899	41,295	42,741	44,237
Maintenance		23,037	23,844	24,678	25,542	26,436	27,361	28,319	29,310	30,336
Services Cost		0	0	0	0	0	0	0	0	0
Reinstatement Cost Another Allowance		0	0	0	0	0	0	0	ő	0
Major Repairs		14,526	15,107	15,711	16,339	16,993	17,673	18,380	19,115	19,879
Net Rent		39,328	40,079	40,838	41,602	42,373	43,149	43,931	44,717	45,507
Net Rent + Rec'ts - Inte	r't	39,328	40,079	40,838	41,602	42,373	43,149	43,931	44,717	45,507
Cashflow		39,328	40,079	40,838	41,602	42,373	43,149	43,931	44,717	45,507
Cum. Balance		135,739	175,819	216,656	258,258	300,631	343,780	387,711	432,428	477,935
	Year	37	38	39	40	41	42	43	44	45
Opening Loan		0	0	0	0	0	0	0	0	0
Average Interest		0	0	0	0	0	0	0	0	(
Other Capital Receip Sales Receipts	its	0	0	0	0 0	0	0	0	0	(
itaircasing Receipts		ő	0	0	0	0	0	0	0	(
ir'd Rent Sales Rec'p		0	0	0	0	0	0	0	0	(
oan Repayment, To :losing Loan	tal	0	0 <b>0</b>	0 <b>0</b>	0 <b>0</b>	0 <b>0</b>	0 <b>0</b>	0	0	Č
<u> </u>		147,099	151,512	156,058	160,740	165,562	170,529	175,644	180,914	186,34
Seace Desidit name		147,099	151,512	130,038	160,740	0	0	0	0	,
		o	0	0	0	0	0	0	0	(
Gross Comm'l Rent				0	2.215	2 211	0 3,411	0 3,513	0 3,618	3,72
Gross Comm'l Rent Service Charges Ground Rents		0	0	7 4 7 4		3,311		172,132	177,296	182,61
Gross Comm'l Rent Service Charges Ground Rents	c/•	2,942	3,030	3,121 <b>152.937</b>	3,215 <b>157.525</b>		10/,110			
Gross Comm'l Rent Gervice Charges Ground Rents Joids	s/t	2,942		3,121 <b>152,937</b> 0	157,525 0	<b>162,251</b> 0	<b>167,118</b> 0	0	0	
Gross Comm'l Rent Service Charges Ground Rents Joids Managing Agent SSL Management	s/t	2,942 <b>144,158</b> 0 45,785	3,030 <b>148,482</b> 0 47,388	<b>152,937</b> 0 49,046	<b>157,525</b> 0 50,763	<b>162,251</b> 0 52,539	0 54,378	0 56,281	58,251	
Gross Comm'l Rent Service Charges Ground Rents Voids Managing Agent RSL Management Maintenance	s/t	2,942 <b>144,158</b> 0 45,785 31,397	3,030 <b>148,482</b> 0 47,388 32,496	152,937 0 49,046 33,634	157,525 0 50,763 34,811	162,251 0 52,539 36,029	0 54,378 37,290	0 56,281 38,595	58,251 39,946	
Gross Comm'l Rent Service Charges Ground Rents Voids Managing Agent ASL Management Maintenance Services Cost		2,942 144,158 0 45,785 31,397	3,030 <b>148,482</b> 0 47,388 32,496 0	152,937 0 49,046 33,634 0	<b>157,525</b> 0 50,763	<b>162,251</b> 0 52,539	0 54,378	0 56,281	58,251	
Gross Comm'l Rent Service Charges Ground Rents Joids Managing Agent ASL Management Maintenance Services Cost Reinstatement Cost		2,942 <b>144,158</b> 0 45,785 31,397	3,030 <b>148,482</b> 0 47,388 32,496	152,937 0 49,046 33,634	157,525 0 50,763 34,811 0	162,251 0 52,539 36,029 0	0 54,378 37,290 0	0 56,281 38,595 0 0	58,251 39,946 0 0	41,34
Gross Comm'l Rent Service Charges Ground Rents Voids Managing Agent RSL Management Maintenance Services Cost Reinstatement Cost Another Allowance Major Repairs		2,942 144,158 0 45,785 31,397 0 0 0 20,675	3,030 148,482 0 47,388 32,496 0 0 0	152,937 0 49,046 33,634 0 0 0 22,362	157,525 0 50,763 34,811 0 0 0 23,256	162,251 0 52,539 36,029 0 0 0 24,186	0 54,378 37,290 0 0 0 25,154	0 56,281 38,595 0 0 0 26,160	58,251 39,946 0 0 0 27,206	41,344 ( ( ( 28,29
Gross Comm'l Rent Service Charges Ground Rents Voids Managing Agent RSL Management Maintenance Services Cost Reinstatement Cost Another Allowance Major Repairs		2,942 144,158 0 45,785 31,397 0 0	3,030 148,482 0 47,388 32,496 0 0 21,502 47,097	152,937 0 49,046 33,634 0 0 22,362 47,895	157,525 0 50,763 34,811 0 0 0 23,256 48,695	162,251 0 52,539 36,029 0 0 0 24,186 49,496	0 54,378 37,290 0 0 25,154 50,296	0 56,281 38,595 0 0 26,160 <b>51,095</b>	58,251 39,946 0 0 0 27,206 <b>51,892</b>	60,290 41,344 ( ( ( 28,291 <b>52,68</b> 3
Gross Resid'l Rent Gross Comm'l Rent Service Charges Ground Rents Voids  Managing Agent RSL Management Maintenance Services Cost Reinstatement Cost Another Allowance Major Repairs Net Rent + Rec'ts - Inte		2,942 144,158 0 45,785 31,397 0 0 0 20,675	3,030 148,482 0 47,388 32,496 0 0 0	152,937 0 49,046 33,634 0 0 0 22,362	157,525 0 50,763 34,811 0 0 0 23,256	162,251 0 52,539 36,029 0 0 0 24,186	0 54,378 37,290 0 0 0 25,154	0 56,281 38,595 0 0 0 26,160	58,251 39,946 0 0 0 27,206	41,344 ( ( ( 28,29: <b>52,68</b> :
Gross Comm'l Rent Service Charges Ground Rents Voids Managing Agent RSL Management Maintenance Services Cost Reinstatement Cost Another Allowance Major Repairs Net Rent		2,942 144,158 0 45,785 31,397 0 0 20,675 46,300	3,030 148,482 0 47,388 32,496 0 0 21,502 47,097	152,937 0 49,046 33,634 0 0 22,362 47,895	157,525 0 50,763 34,811 0 0 0 23,256 48,695	162,251 0 52,539 36,029 0 0 0 24,186 49,496	0 54,378 37,290 0 0 25,154 50,296	0 56,281 38,595 0 0 26,160 <b>51,095</b>	58,251 39,946 0 0 0 27,206 <b>51,892</b>	41,344 ( ( ( 28,29

#### **East Thames Group**

# **Rent & Sale Appraisal Summary**

SDS ProVal Version 9.13 Nov-2012

Date 24 Jun 2013 Scheme Name **EFDC - Marden Close** Address IG7 6ER Appraisal by georg.herrmann 2013/2014 Funding Year Seller Site Area (acs) Local Authority **Epping Forest** See validation page for details Scheme Description Defaults Validation Check Units 10 Appraisal Version D **Unit Details** Α В Total - All Units Product Type Social Rent 606 63 Net Floor Area m² 58 20 Persons 10 Units Commercial? 1,750,000 Market Sales Value 175,000 175 000 Sales % at Outset 50,754 97.27 Yr 1 Resid'tial Rent p.w. Yr 1 Comm' Rent per m2 Units sold at end Year 0 κ M N Product Type Net Floor Area m<sup>2</sup> Persons Units Commercial? Market Sales Value Sales % at Outset Yr 1 Resid'tial Rent p.w. Yr 1 Comm' Rent per m² Units sold at end Year Average per Average per hr - habitable room, ac - acre, ha - hectare Total Acquistion & Works Costs nfa - net floor area, gfa - gross floor area Unit Person Acquisition 448,400 44.840 22,420 741 /m² nfa 741 /m<sup>2</sup> gfa Works Total 448,400 44,840 22,420 25.62% A&W as % of Market Sales Value Av'ge per Res' Average per **Development Subsidy** Tota % TSC Unit Perso 0.00% 0 Other Capital Receipts (not Sales) Per Unit Per Person % of TSC RSL Funding Total Lump Sums: Rec'd in Year 0 Receipts from Initial Sales 0 Capitalised Ground Rents, Total 0 Advance Rent Income **Total Scheme Costs** % TSC 448,400 Loan Adjustment ۵ Acquisition & Works as Section B 90.8% Development Fees as Section D 36,729 7.4% **RSL Capital Contribution** 24,693 100.0% 8.735 1.8% User-defined Interest Cost Total 493.864 49.386 24,693 100,0% Other Costs 493,864 Total Scheme Cost (TSC) Subsidy & Other Funding As Prod, Type Other 0 0 Residential Market Value 1,750,000 Other Sun Commercial Market Value 0 0.0% TSC as % of Market Sales Value 28.2% Total 0 **Private Finance** % of TSC % of MSV Interest Rate Loan A Loan B 493,864 n 100.0% 493,864 Total Scheme Cost Year 1 to 45 3.50% **Development Subsidy** Receipts from Initial Sales O 0 Advance Rent Income Loan Adjustment Capital Contribution at Year 1 Repayment Method Interest Only 493,864 100.0% 28.2% Net Loan (before sales) Inflation & Allowances 2.50% Year 1 Effective Inflation Rates & Values for Allowances Year 1 Effective Inflation Rates & Values for Income Inflatio Cost Per Unit, Rate Rate p.a. 3.50% 1.327 Management Residential Tenant Rent 0.00% Commercial Rent - n/a Managing Agent 3.50% 910 Maintenance Ground Rent 2.50% Reinstatement 2.50% ٥ Services (Charges and Costs) 2.50% 2.50% Market Sales Values (Residential) 2,50% Another Allowance 0 4.00% Major Repairs Market Sales Values (Commercial) - n/a 0.00% 2.00% Loan Repayment Method Interest Only Long Term Cashflow 493,864 Chosen NPV Calculation Net Rent + Cap. Val. - Loan Peak Loan Occurs in Year 1 NPV Discount Rate 3,50% Revenue First Exceeds Costs Year 1 Summarise Cashflow Results to Year 30 Year 25 Loan Repaid by Capital Value of Scheme - Year 1 Capital Growth Rate p.a. Per Person Discounted Cap. Value Per Unit Max. Annual Deficit: Year n/a Interest Total Capitalised Yr. 1 Net Revenue Surplus 300 549 30.055 15.027 Min. Interest Cover: Year 1 162-44% 216,656 21,666 10,833 Cum. Surplus at Year 30 8,477 4,239 Target Interest Cover % 115.00% NPV Net Rent + Cap. Val. - Loan 84,772 First met after Year 1 in Year 4.77% NPV of Net Rent Only 578,636 Last Works payment in Scheme Cashflow Dec-2014 NPV of All Capital Receipts