

Capital Investment Opportunity

PURCHASE COSTS

	2019/20	Note	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Investment Price/ Cost	0	1									
Stamp Duty + VAT	0	2	<150,000	<250,000	<250,001						
Valuation Fees	0	3	150,000	250,000	250,001						
Survey Fees	0	4	0.00%	2.00%	5.00%	TOTAL					
Legal Fees / Costs (Searches)	0	5		3,000							
Refurbishment Costs	0	6									
Introduction Fees (Auction Buyer Fee)	1.00%	7									
VAT	0	8									
Other Purchase Costs (Contingency)	0.50%	9									
Total Purchase Cost	0										
MRP Rate	2.00%										
Interest Rate	3.00%										
Rent Indexation	2.50%										

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9
Gross Yield #DIV/0!									
Adjusted Yield #DIV/0!									
LCC Gross Yield #DIV/0!									
LCC Net Yield #DIV/0!									
Gross Capital Return #DIV/0!									
Nett Capital Return #DIV/0!									
Accumulated MRP E									
Total Net Capital Return #DIV/0!									

CAPITAL INVESTMENT INCOME

TENANT	Sqft Area	£/Sqft	RENT £	Note	RENT %	NPV
Unit 1				10	#DIV/0!	£0
Unit 2				10	#DIV/0!	£924,912
Unit 3				10	#DIV/0!	£0
Unit 4				10	#DIV/0!	£0
Unit 5				10	#DIV/0!	£0
Unit 6				10	#DIV/0!	£0
Site 1				10	#DIV/0!	£0
Site 2				10	#DIV/0!	£0
Site 3				10	#DIV/0!	£0
Site 4				10	#DIV/0!	£0
Roof				10	#DIV/0!	£0
						£924,912
Disposal of Property @ ARY% on Yr 16 Rent			8.00%	11		£572,639
Total NPV (15Yrs Income / 1 sale)						£1,497,551

Yr	1	2	3	4	5	6	7	8	9
2020/21	0	0	0	0	0	0	0	0	0
2021/22	37,500	0	90,000	100,000	100,000	100,000	100,000	100,000	100,000
2022/23	0	0	0	0	0	0	0	0	0
2023/24	0	0	0	0	0	0	0	0	0
2024/25	0	0	0	0	0	0	0	0	0
2025/26	0	0	0	0	0	0	0	0	0
2026/27	0	0	0	0	0	0	0	0	0
2027/28	0	0	0	0	0	0	0	0	0
2028/29	0	0	0	0	0	0	0	0	0
	£37,500	£0	£90,000	£100,000	£100,000	£100,000	£100,000	£100,000	£100,000

PROPERTY EXPENSES

ELEMENT	Note	NPV
Cost of Debt		
Interest Charge	3.00% 12	
Landlord Rent Costs		
Void Period		
Unit 1	6	13
Unit 2	6	
Unit 3	6	
Unit 4	6	
Unit 5	6	
Unit 6	6	
Site 1	3	
Site 2	3	
Site 3	3	
Site 4	3	
Roof	3	
Rent Free		
Unit 1	6	14
Unit 2	6	
Unit 3	6	
Unit 4	6	
Unit 5	6	
Unit 6	6	
Site 1	3	
Site 2	3	
Site 3	3	
Site 4	3	
Roof	3	
L/L Service Charge		
Unit 1	6	15
Unit 2	6	
Unit 3	6	
Unit 4	6	
Unit 5	6	
Unit 6	6	
Site 1	3	
Site 2	3	
Site 3	3	
Site 4	3	
Roof	3	
L/L Bus Rates		
Unit 1	6	16
Unit 2	6	
Unit 3	6	
Unit 4	6	
Unit 5	6	
Unit 6	6	
Site 1	3	
Site 2	3	
Site 3	3	
Site 4	3	
Roof	3	
Landlord Overheads		
Fabric Investment & Landlord Repair		17
Letting / Legal Costs	10.00% 7.50%	18
Ground Rent	0	19
Insurances £	£0.00	20
Utilities payable by Landlord £	£0.00	21
Other L/L Costs (SC)	£0	22
Landlord SC Reversion	£15,000	
Statutory Comp 2x RV	-	
Disposal Costs (Sale / Legals)	1.00% 0.25%	23
		£523,446
Landlord Prudence Costs		
MRP (Capital Prudence)	2.00%	24
Total Cost		NPV (15Yrs Cost / 1 sale)

Yr	1	2	3	4	5	6	7	8	9
2020/21	0	0	0	0	0	0	0	0	0
2021/22	0	0	0	0	0	0	0	0	0
2022/23	0	0	0	0	0	0	0	0	0
2023/24	0	0	0	0	0	0	0	0	0
2024/25	0	0	0	0	0	0	0	0	0
2025/26	0	0	0	0	0	0	0	0	0
2026/27	0	0	0	0	0	0	0	0	0
2027/28	0	0	0	0	0	0	0	0	0
2028/29	0	0	0	0	0	0	0	0	0
	£0	£0	£0	£0	£0	£0	£0	£0	£0

Gross IRR %	#DIV/0!	25	#DIV/0!
Gross Yield (Average / Annual)	#DIV/0!	26	
Gross Average Contribution (Annual)	#DIV/0!	27	
Gross ROCE (Average / Annual)	#DIV/0!	29	
Landlord Prudence Costs			
Sinking Fund (Prudence % Gross Rent)	2.50%	30	
Abortive Costs (Prudence % of Gross Rent)	1.00%	31	£32,372
Nett IRR %	#DIV/0!	32	#DIV/0!
Nett Yield (Average / Annual)	#DIV/0!	33	
Nett Average Contribution (Annual)	#DIV/0!	34	
Nett ROCE (Average / Annual)	#DIV/0!	35	

Yr	1	2	3	4	5	6	7	8	9
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
£37,500	-£65,000	£25,000	£35,000	£35,000	£70,000	£35,000	-£10,000	£35,000	
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
938	0	2,250	2,500	2,500	2,500	2,500	2,500	2,500	
375	0	900	1,000	1,000	1,000	1,000	1,000	1,000	
£1,313	£0	£3,150	£3,500	£3,500	£3,500	£3,500	£3,500	£3,500	£3,500

Yr	1	2	3	4	5	6	7	8	9
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
£36,188	-£65,000	£21,850	£31,500	£31,500	£66,500	£31,500	-£13,500	£31,500	
#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
0	0	0	0	0	0	0	0	0	0
938	938	3,188	5,688	8,188	10,688	13,188	15,688	18,188	
375	375	1,275	2,275	3,275	4,275	5,275	6,275	7,275	

NOTES

- 1 LCC Proposed Purchase Price
- 2 Assumes VAT is recoverable
- 3 Independent Valuation
- 4 Survey fees for Energy Audit / Busling Survey / Other
- 5 If £0 LCC acting costs
- 6 If zero property in condition
- 7 Intro fee for agent proposing purchase
- 8 VAT ED if TOGC status agreed
- 9 PC sum to cover off incidentals post purchase
- 10 Floor areas and rents for occupiers and proposed occupiers
- 10a 50% of LCC nett receipt (40% of business rates)
- 11 All Risk Yield at point of sale in the future
- 12 PWBM Interest rate of capital utilised to acquire property
- 13 At each grey box letting an assumed void period is adopted
- 14 At each grey box letting an assumed period of rent free granted by landlord
- 15 At each grey box letting an assumed service charge period contributed by landlord
- 16 At each grey box this shows the landlord cost of business rates for void period
- 17 Landlord investment in structural fabric in addition to any dilaps money / Redevelopment costs
- 18 Landlord transaction costs to achieve new lettings / Legals if not done in house
- 19 Rent paid to freeholder by LCC if not freehold
- 20 Annual insurance sum contributes to cost of landlord void periods
- 21 Outgoing costs for landlord during void period
- 22 Costs as may fall due
- 23 Landlord transaction costs to achieve new lettings / Legals if not done in house
- 24 Prudence sums - Material Re-Payment
- 25 Rate of overall return derived form investment and subsequent sale in yr 16
- 26
- 27
- 28
- 29
- 30 Prudence sums - LCC sinking fund contribution to structural fabric replacement
- 31 Prudence sums - LCC contribution to abortive negotiations on investment properties
- 32 Accumulated sinking funds generated by this property
- 33 Accumulated contribution to abortive transaction costs made by this property