

# 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

**Scheme Name** EFDC - Roundhills, Waltham Abbe

**Date** 24 Jun 2013

**Address**

**Funding Year** 2013/2014

**Another Description**

**Local Authority** Epping Forest

**Project/File Ref.**

LA Number 361

County Essex

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

### A Unit Details

Unit Description	A	B	C	D	E	F	G	H	TOTALS
<b>Net Area</b> m <sup>2</sup>	77.00	93.00							834.00
<b>Bedrooms</b>	2-bed	3-bed							m <sup>2</sup>
<b>Persons</b>	4	5							44
<b>Units</b>	6	4							10
<b>Commercial - y?</b>	n	n							
<b>Flat (not house) -y?</b>	n	y							
<b>Shared Accom. - y?</b>	n	n							
<b>Habitable Rooms</b>	3	4							34
<b>Storeys</b>	2	2							
<b>Value at Jan' 1999</b>									0
<b>Market Sales Value</b>									
<b>Product Type</b>	Affordable Rent	Affordable Rent							
<b>Catalyst Dev. Type</b>	New Build	New Build							
<b>Other Description</b>									
<b>Sales % at Outset</b>									
<b>Res' Sold Equity</b>	0	0	0	0	0	0	0	0	0
<b>Res' Unsold Equity</b>	0	0	0	0	0	0	0	0	0
<b>Initial Commercial Sales</b>	0	0	0	0	0	0	0	0	0

#### Confirm Gross Floor Area

	Net m <sup>2</sup>	Adjust by % and/or by m <sup>2</sup>	Gross m <sup>2</sup>	Gross ft <sup>2</sup>
Residential Floor Area	834.00	0.00	834.00	8,977.18
Commercial Floor Area	0.00		0.00	0.00
<b>Total Floor Area</b>	<b>834.00</b>		<b>834.00</b>	<b>8,977.18</b>

#### Habitable Rooms Summary

Residential Rent	34
Residential Sale	0
Other	0
<b>Total</b>	<b>34</b>

### B Acquisition & Works Cost

ACQUISITION	Input Type	Input	Total	VAT %	Average per Unit	Average per Person	Memorandum Information	
Use Value from Land Appraisal, y/n?								
		VAT Total	0		0	0		
<b>Acquisition Total</b>			<b>0</b>		<b>0</b>	<b>0</b>		
WORKS	Input Type	Input	Total	VAT %	Average per Unit	Average per Person	3.67%	
	Per Gross m <sup>2</sup>	1,250	1,042,500		104,250	23,693		
demolition	Lump Sum	32,000	32,000		3,200	727		
asbestos removal	Lump Sum	18,000	18,000		1,800	409		
Abnormals	Lump Sum	182,000	182,000		18,200	4,136		
contingency+ design	Lump Sum	140,000	140,000		14,000	3,182		
Use Total from Land Appraisal, y/n?								
		VAT Total	0		0	0		
<b>Works Total</b>	1,696 /m <sup>2</sup> nfa	1,696 /m <sup>2</sup> gfa	<b>1,414,500</b>		<b>141,450</b>	<b>32,148</b>		

Acquisition & Works Summary	Total	Average per Unit	Average per Person
<b>Total</b>	1,696 /m <sup>2</sup> nfa 1,696 /m <sup>2</sup> gfa	<b>1,414,500</b>	141,450 32,148

#### A&W as % of Market Sales Value

##### Optimisation

Target % for A&W/Market Sales Value

#### Account Codes

Acquisition  
Works  
Dev. Interest  
Net Loan

Acquisition Total Entered 0  
Market Value, If Different  
Land Discount 0

For optimisation of Total Scheme Costs see Section F



**F Total Scheme Cost**

		% TSC		Per Unit	Per Person	% of TSC
Acquisition & Works as Section B	1,414,500	86.7%	<b>Analysis of RSL Funding</b>			
Development Fees as Section D	190,095	11.7%	Receipts from Initial Sales	0		
User-defined Interest Cost	26,398	1.6%	Advance Rent Income	0		
Other Costs or Savings(-)			Loan Adjustment	0		
Other Costs or Savings(-)			RSL Capital Contribution	0		
<b>Total Scheme Cost (TSC)</b>	<b>1,630,993</b>	100.0%	Net Loan	1,490,993	149,099	33,886
			<b>Total RSL Funding</b>	<b>1,490,993</b>	<b>149,099</b>	<b>33,886</b>
						91.4%
			<b>Analysis of Subsidy &amp; Other Funding</b>			
<b>TSC as % of Market Sales Value</b>			As Prod. Type	0		
<b>Optimisation</b>			Other	140,000	14,000	3,182
Target % for TSC/Market Sales Value	90.0%		Other Sum	0		
Alternative Solutions:			<b>Total Other Funding</b>	<b>140,000</b>	<b>14,000</b>	<b>3,182</b>
Total saving in TSC required	0	0 per unit				8.6%
or Affordable Acq. Total	0	0 per unit, or per hab. room				
or Affordable Wks. Total	0	per unit, or per gross m <sup>2</sup>				
Optimisation results for Acq. and Wks. assume that development fees & interest remain at 13.3% of TSC						

**G Private Finance**

		% of TSC	% of MSV	
<b>Private Finance Requirement at Year 1</b>				<b>Loan Repayment Method</b>
Total Scheme Cost - as Section F	1,630,993	100.0%	0.0%	Annuity y/n? n Interest Only Method Chosen
Development Subsidy - as Section C	140,000	8.6%	0.0%	Leave blank
Receipts from Initial Sales	0			
Advance Rent Income	0			
Loan Adjustment				
Capital Contribution at Year 1				<b>Value: Loan Ratios &amp; Affordable Loan Values</b>
<b>Net Loan, before Sales (Section J)</b>	<b>1,490,993</b>	91.4%	0.0%	Current Market Sales Value 0
				NPV of Net Rent Only 1,526,142
				User Specified Value
<b>Apportionment of Net Loan &amp; Long Term Interest Rates</b>				Current Market Sales Value: Net Loan % 0.0%
				NPV of Net Rent: Net Loan % 102.4%
				User Specified Value: Net Loan % 0.0%
				<b>Value: Net Loan, Target %</b>
				Affordable Loan on NPV Value
				Affordable Loan on User Spec. Value

**H Inflation**

<b>Base Inflation Rate</b>	2.50%	Inflation is applied from Year 2 onwards. Set all periods to Year 45.	
<b>Inflation Margins &amp; Periods for Income</b>			
<b>Residential Tenant Rent</b>			
Period 1	Year 1 to 45	Margin on Base Rate 0.50%	Effective Inflation Rates 3.00%
			0.00%
<b>Commercial Rent - n/a</b>			
Year 1 to 45			
<b>Ground Rent</b>			
Period 1	Year 1 to 45		2.50%
			0.00%
<b>Services (Charges &amp; Costs)</b>			
Period 1	Year 1 to 45	0.00%	2.50%
			0.00%
<b>Market Sales Values (Residential) - n/a</b>			
Year 1 to 45		0.00%	0.00%
			0.00%
<b>Market Sales Values (Commercial) - n/a</b>			
Year 1 to 45			0.00%
			0.00%
<b>Inflation Margins &amp; Periods for Allowances</b>			
<b>Management</b>			
Period 1	Year 1 to 45	1.00%	3.50%
			0.00%
<b>Maintenance</b>			
Period 1	Year 1 to 45	1.00%	3.50%
			0.00%
<b>Reinstatement</b>			
Period 1	Year 1 to 45		2.50%
			0.00%
<b>Another Allowance</b>			
Period 1	Year 1 to 45	0.00%	2.50%
			0.00%
<b>Major Repairs</b>			
Period 1	Year 1 to 45	1.50%	4.00%
			0.00%

## I Rent Allowances & Periods

Set allowances as at Year 1 of Long Term Cashflow and all periods to Year 45, ignoring future sales

	A	B	C	D	E	F	G	H	Weighted Averages at Year 1
Product Type	Affordable Rent	Affordable Rent							Units Available 10
Commercial									
Number of Units	6	4							
Res' Shared Equity?	n	n							
Prop. Ava'ble for Rent?	y	y							
<b>Managing Agent</b>	% of Gross Rent (excl. Ground Rent & Service Charges) less voids								
Year 1 to 45									0.00%
Add VAT to M. Ag.									
<b>RSL Management</b>	Per Unit Per Annum								Default value for information, Shared Equity 0
Year 1 to 45	1,327	1,327							1,327
<b>Maintenance</b>	Per Unit Per Annum								Default value for information, Rent 691
Year 1 to 45	910	910							910
Product Type	Affordable Rent	Affordable Rent	C	D	E	F	G	H	
Res' Shared Equity?	n	n							
Prop. Ava'ble for Rent?	y	y							
<b>Services Cost</b>	Per Unit Per Annum								
Year 1 to 45									0
<b>Reinstatement Cost</b>	Per Unit Per Annum								
Year 1 to 45									0
<b>Another Allowance</b>	Per Unit Per Annum								
Year 1 to 45									0
<b>Voids &amp; Bad Debts</b>	% of Gross Rents & Service Charges								Default value for information, Shared Equity 0.00%
Year 1 to 45	2.00%	2.00%							4.25%
									2.00%

### Major Repair Sinking Fund Options

#### Option 1

% Selection	% User Input	Year 1 to 45	0.80%	on 1,084,200
	User Input	1,084,200		

#### Option 2

Per Unit, Per Annum, Com. Rented Units Only	Year 1 to 45		
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#### Option 3

Per Unit, Per Annum, Res. Rented Units Only	Year 1 to 45		
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Sinking Fund at Year 7 10,975

Defer the Start of the Sinking Fund to Year

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#### Memorandum Information

Options 2 & 3 can be used together. With these options shared equity units and units fully sold at the outset are excluded.

## J Sales & Other Capital Receipts

### 1. Other Capital Receipts in Long Term Cashflow

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

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

For staircasing shared equity units, use the Shared Equity Report

	A	B	C	D	E	F	G	H	Total for all Units
Product Type	Affordable Rent	Affordable Rent							
Units	6	4	0	0	0	0	0	0	
Commercial									
Market Sales Value Available for Sale	0	0	0	0	0	0	0	0	
<b>Sell units at end of Year</b>									
Value for Sale at Yr. 1	0	0	0	0	0	0	0	0	
Rec'd at Year of Sale	0	0	0	0	0	0	0	0	0
Total Received	0	0	0	0	0	0	0	0	0
<b>Sell Gr'd Rents at Year</b>									
Capital'd %	0	0	0	0	0	0	0	0	0

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

**K Cost Rent at Year 1**

No. of Weekly Rent Periods p.a.

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

	Year 1
Loan Interest	52,185
Managing Agent	0
RSL Management	13,270
Maintenance	9,100
Services Cost (S.C.)	0
Reinstatement Cost	0
Another Allowance	0
Major Repairs	0
Voids etc. 2.0%	1,522
<b>Total Cost at Year 1</b>	<b>76,076</b>

Total Cost at Year 1, Per Unit Type - rents are pro rata net floor area					
Type	Commercial	Rent p.w. excl. S.C.	S.C. p.w.	Total p.w.	Total p.m.
	n	134.61	0.00	134.61	585.32
	n	162.58	0.00	162.58	706.94
		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
<b>Averages</b>	145.80 per week (ex. S.C.)		633.97 per month (ex. S.C.)		
	145.80 per unit per week		633.97 per unit per month		
	91.22 per net m <sup>2</sup> (ex. S.C.)		91.22 per net m <sup>2</sup> (incl. S.C.)		

Loan Interest is on the Opening Loan. The long term cashflow uses an averaged interest after receiving rent. Therefore Cost Rent is overstated. **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 type.

**L Set Rents & Service Charges for Long Term Cashflow**

Cost Rent & S.C., p.w.	A	B	C	D	E	F	G	H	Total at Year 1
Product Type	Affordable Rent	Affordable Rent							
Commercial									
Target - April 2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Rent Cap	0.00	0.00	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	0
Cost Rent p.w. excl. S.C.	134.61	162.58	0.00	0.00	0.00	0.00	0.00	0.00	76,076
<b>Total Cost Rent p.w.</b>	<b>134.61</b>	<b>162.58</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>76,076</b>

**Commercial Rents n/a**

Year 1 to									0
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These Options n/a Set Initial Rent Free Period (months)  months  
Rent Review Period, i.e. rent fixed for  years

Preferred Yield % on Unsold Equity, n/a

Residential Shared Equity units only									
Unsold Equity Share %									
Cost Rent % of u/s Eq'ty									
Rent p.w at 2.75% Yield									
Local Housing Allowance									

**Residential Rents n/a**

Year 1 to	45	165.58	180.00						89,407
		206.98	275.97	Market rents	£900 2 bed, £1,200 3 bed, rent cap as per EFDC policy £180				

**Set all service charges received per week**

Year 1 to	45								0
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**Set Ground Rents received per annum**

Year 1 to	45								0
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Rent Yields as at end of Year	1	Gross	Net
Total All Revenue Income, ex. voids at Year 1		87,619	65,249
Compared with Market Value at Year 1	0		
Compared with Total Scheme Cost of	1,630,993	5.37%	4.00%
Compared with Acquisition Cost of	0		

**Residential at Start of Year 1**

Gross Rent	89,407
Market Value	0
Yield	

**Commercial at Start of Year 1**

Gross Rent	0
Market Value	0
Yield	

Rent Yields as at end of Year		Gross	Net

NPV of Gross Rent & S.C. ex. Voids, divided by Open'g Loan, p.a.  at Year 1  
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

**Calculation of Affordable Loan Based on Net Income at Year 1**

Total Set Rent	89,407
Service Charges	0
Ground Rents	0
Managing Agent	0
RSL M'ngm't & Maint.	22,370
Services Cost	0
Reinstatement Cost	0
Another Allowance	0
Major Repairs	0
Voids & Bad Debts	1,788
<b>Net Income at Year 1</b>	<b>65,249</b>

	Per Unit p.a.	Per Unit p.w.	Per Unit p.m.
Set Residential Rent	8,941	171.35	745.06
Set Commercial Rent	0		

Actual Loan   
Affordable Loan  Assuming net income meets Year 1 loan costs  
Difference  Equivalent to the capitalised Year 1 net revenue surplus.

# M Long Term Cashflow

Loan Repayment Method Interest Only

Peak Loan Occurs in Year 1 1,490,993  
 Revenue First Exceeds Costs Year 1  
 Loan Repaid by Year 30

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

Capital Value of Scheme - Year 1

Capital Growth Rate p.a.  
 Discounted Cap. Value

	n/a	Per Unit	Per Person
Max. Annual Deficit: Year			
Capitalised Yr. 1 Net Revenue Surplus	402,971	40,297	9,158
Cum. Surplus at Year 30	97,411	9,741	2,214
NPV Net Rent + Cap. Val. - Loan	35,149	3,515	799
IRR	3.67%		
NPV of Net Rent Only	1,526,142		
NPV of All Capital Receipts	0		

**Interest Total** 996,382  
 Min. Interest Cover: Year 1 127.58%  
 Target Interest Cover % 115.00%  
 First met after Year 1 in Year 2

Last Works payment in Scheme Cashflow Jan-2015

Year	1	2	3	4	5	6	7	8	9
<b>Opening Loan</b>	<b>1,490,993</b>	<b>1,476,889</b>	<b>1,460,416</b>	<b>1,441,439</b>	<b>1,419,817</b>	<b>1,395,402</b>	<b>1,368,039</b>	<b>1,348,717</b>	<b>1,326,954</b>
Average Interest	51,145	50,621	50,015	49,319	48,531	47,643	46,827	46,123	45,333
Other Capital Receipts	0	0	0	0	0	0	0	0	0
Sales Receipts	0	0	0	0	0	0	0	0	0
Staircasing Receipts	0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'pts	0	0	0	0	0	0	0	0	0
Loan Repayment, Total	65,249	67,095	68,992	70,942	72,946	75,006	66,148	67,886	69,666
<b>Closing Loan</b>	<b>1,476,889</b>	<b>1,460,416</b>	<b>1,441,439</b>	<b>1,419,817</b>	<b>1,395,402</b>	<b>1,368,039</b>	<b>1,348,717</b>	<b>1,326,954</b>	<b>1,302,621</b>
<b>Gross Resid'l Rent</b>	<b>89,407</b>	<b>92,089</b>	<b>94,852</b>	<b>97,698</b>	<b>100,629</b>	<b>103,647</b>	<b>106,757</b>	<b>109,960</b>	<b>113,258</b>
<b>Gross Comm'l Rent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Charges	0	0	0	0	0	0	0	0	0
Ground Rents	0	0	0	0	0	0	0	0	0
Voids	1,788	1,842	1,897	1,954	2,013	2,073	2,135	2,199	2,265
<b>s/t</b>	<b>87,619</b>	<b>90,248</b>	<b>92,955</b>	<b>95,744</b>	<b>98,616</b>	<b>101,574</b>	<b>104,622</b>	<b>107,760</b>	<b>110,993</b>
Managing Agent	0	0	0	0	0	0	0	0	0
RSL Management	13,270	13,734	14,215	14,713	15,228	15,761	16,312	16,883	17,474
Maintenance	9,100	9,419	9,748	10,089	10,442	10,808	11,186	11,578	11,983
Services Cost	0	0	0	0	0	0	0	0	0
Reinstatement Cost	0	0	0	0	0	0	0	0	0
Another Allowance	0	0	0	0	0	0	0	0	0
Major Repairs	0	0	0	0	0	0	10,975	11,414	11,870
<b>Net Rent</b>	<b>65,249</b>	<b>67,095</b>	<b>68,992</b>	<b>70,942</b>	<b>72,946</b>	<b>75,006</b>	<b>66,148</b>	<b>67,886</b>	<b>69,666</b>
<i>Net Rent + Rec'ts - Inter't</i>	<i>14,104</i>	<i>16,473</i>	<i>18,977</i>	<i>21,622</i>	<i>24,415</i>	<i>27,363</i>	<i>19,322</i>	<i>21,763</i>	<i>24,333</i>
<b>Cashflow</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cum. Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Year</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b>	<b>18</b>
<b>Opening Loan</b>	<b>1,302,621</b>	<b>1,275,583</b>	<b>1,245,700</b>	<b>1,212,826</b>	<b>1,176,809</b>	<b>1,137,490</b>	<b>1,094,704</b>	<b>1,048,280</b>	<b>998,038</b>
Average Interest	44,452	43,476	42,399	41,218	39,925	38,516	36,985	35,326	33,532
Other Capital Receipts	0	0	0	0	0	0	0	0	0
Sales Receipts	0	0	0	0	0	0	0	0	0
Staircasing Receipts	0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'pts	0	0	0	0	0	0	0	0	0
Loan Repayment, Total	71,490	73,358	75,273	77,234	79,244	81,302	83,409	85,568	87,779
<b>Closing Loan</b>	<b>1,275,583</b>	<b>1,245,700</b>	<b>1,212,826</b>	<b>1,176,809</b>	<b>1,137,490</b>	<b>1,094,704</b>	<b>1,048,280</b>	<b>998,038</b>	<b>943,791</b>
<b>Gross Resid'l Rent</b>	<b>116,656</b>	<b>120,156</b>	<b>123,760</b>	<b>127,473</b>	<b>131,297</b>	<b>135,236</b>	<b>139,293</b>	<b>143,472</b>	<b>147,776</b>
<b>Gross Comm'l Rent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Charges	0	0	0	0	0	0	0	0	0
Ground Rents	0	0	0	0	0	0	0	0	0
Voids	2,333	2,403	2,475	2,549	2,626	2,705	2,786	2,869	2,956
<b>s/t</b>	<b>114,323</b>	<b>117,753</b>	<b>121,285</b>	<b>124,924</b>	<b>128,671</b>	<b>132,532</b>	<b>136,508</b>	<b>140,603</b>	<b>144,821</b>
Managing Agent	0	0	0	0	0	0	0	0	0
RSL Management	18,086	18,719	19,374	20,052	20,754	21,480	22,232	23,010	23,815
Maintenance	12,402	12,836	13,286	13,751	14,232	14,730	15,246	15,779	16,332
Services Cost	0	0	0	0	0	0	0	0	0
Reinstatement Cost	0	0	0	0	0	0	0	0	0
Another Allowance	0	0	0	0	0	0	0	0	0
Major Repairs	12,345	12,839	13,353	13,887	14,442	15,020	15,621	16,245	16,895
<b>Net Rent</b>	<b>71,490</b>	<b>73,358</b>	<b>75,273</b>	<b>77,234</b>	<b>79,244</b>	<b>81,302</b>	<b>83,409</b>	<b>85,568</b>	<b>87,779</b>
<i>Net Rent + Rec'ts - Inter't</i>	<i>27,038</i>	<i>29,883</i>	<i>32,874</i>	<i>36,017</i>	<i>39,319</i>	<i>42,786</i>	<i>46,424</i>	<i>50,242</i>	<i>54,247</i>
<b>Cashflow</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cum. Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Year	19	20	21	22	23	24	25	26	27
<b>Opening Loan</b>	<b>943,791</b>	<b>885,346</b>	<b>822,501</b>	<b>755,045</b>	<b>682,760</b>	<b>605,419</b>	<b>522,785</b>	<b>434,611</b>	<b>340,643</b>
Average Interest	31,597	29,515	27,277	24,878	22,308	19,560	16,627	13,498	10,166
Other Capital Receipts	0	0	0	0	0	0	0	0	0
Sales Receipts	0	0	0	0	0	0	0	0	0
Staircasing Receipts	0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'pts	0	0	0	0	0	0	0	0	0
Loan Repayment, Total	90,042	92,360	94,733	97,163	99,649	102,195	104,800	107,467	110,195
<b>Closing Loan</b>	<b>885,346</b>	<b>822,501</b>	<b>755,045</b>	<b>682,760</b>	<b>605,419</b>	<b>522,785</b>	<b>434,611</b>	<b>340,643</b>	<b>240,614</b>
<b>Gross Resid'l Rent</b>	<b>152,210</b>	<b>156,776</b>	<b>161,479</b>	<b>166,324</b>	<b>171,313</b>	<b>176,453</b>	<b>181,746</b>	<b>187,199</b>	<b>192,815</b>
<b>Gross Comm'l Rent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Charges	0	0	0	0	0	0	0	0	0
Ground Rents	0	0	0	0	0	0	0	0	0
Voids	3,044	3,136	3,230	3,326	3,426	3,529	3,635	3,744	3,856
<b>s/t</b>	<b>149,165</b>	<b>153,640</b>	<b>158,250</b>	<b>162,997</b>	<b>167,887</b>	<b>172,924</b>	<b>178,111</b>	<b>183,455</b>	<b>188,958</b>
Managing Agent	0	0	0	0	0	0	0	0	0
RSL Management	24,649	25,512	26,404	27,329	28,285	29,275	30,300	31,360	32,458
Maintenance	16,903	17,495	18,107	18,741	19,397	20,076	20,778	21,506	22,258
Services Cost	0	0	0	0	0	0	0	0	0
Reinstatement Cost	0	0	0	0	0	0	0	0	0
Another Allowance	0	0	0	0	0	0	0	0	0
Major Repairs	17,571	18,274	19,005	19,765	20,556	21,378	22,233	23,122	24,047
<b>Net Rent</b>	<b>90,042</b>	<b>92,360</b>	<b>94,733</b>	<b>97,163</b>	<b>99,649</b>	<b>102,195</b>	<b>104,800</b>	<b>107,467</b>	<b>110,195</b>
<i>Net Rent + Rec's - Inter't</i>	<i>58,445</i>	<i>62,845</i>	<i>67,456</i>	<i>72,285</i>	<i>77,341</i>	<i>82,634</i>	<i>88,174</i>	<i>93,968</i>	<i>100,029</i>
<b>Cashflow</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cum. Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Year	28	29	30	31	32	33	34	35	36
<b>Opening Loan</b>	<b>240,614</b>	<b>134,247</b>	<b>21,256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Average Interest	6,620	2,852	98	0	0	0	0	0	0
Other Capital Receipts	0	0	0	0	0	0	0	0	0
Sales Receipts	0	0	0	0	0	0	0	0	0
Staircasing Receipts	0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'pts	0	0	0	0	0	0	0	0	0
Loan Repayment, Total	112,987	115,843	21,354	0	0	0	0	0	0
<b>Closing Loan</b>	<b>134,247</b>	<b>21,256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Resid'l Rent</b>	<b>198,599</b>	<b>204,557</b>	<b>210,694</b>	<b>217,015</b>	<b>223,525</b>	<b>230,231</b>	<b>237,138</b>	<b>244,252</b>	<b>251,579</b>
<b>Gross Comm'l Rent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Charges	0	0	0	0	0	0	0	0	0
Ground Rents	0	0	0	0	0	0	0	0	0
Voids	3,972	4,091	4,214	4,340	4,471	4,605	4,743	4,885	5,032
<b>s/t</b>	<b>194,627</b>	<b>200,466</b>	<b>206,480</b>	<b>212,674</b>	<b>219,055</b>	<b>225,626</b>	<b>232,395</b>	<b>239,367</b>	<b>246,548</b>
Managing Agent	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
Another Allowance	0	0	0	0	0	0	0	0	0
Major Repairs	25,009	26,010	27,050	28,132	29,257	30,427	31,645	32,910	34,227
<b>Net Rent</b>	<b>112,987</b>	<b>115,843</b>	<b>118,765</b>	<b>121,754</b>	<b>124,812</b>	<b>127,939</b>	<b>131,136</b>	<b>134,406</b>	<b>137,749</b>
<i>Net Rent + Rec's - Inter't</i>	<i>106,367</i>	<i>112,991</i>	<i>118,667</i>	<i>121,754</i>	<i>124,812</i>	<i>127,939</i>	<i>131,136</i>	<i>134,406</i>	<i>137,749</i>
<b>Cashflow</b>	<b>0</b>	<b>0</b>	<b>97,411</b>	<b>121,754</b>	<b>124,812</b>	<b>127,939</b>	<b>131,136</b>	<b>134,406</b>	<b>137,749</b>
<b>Cum. Balance</b>	<b>0</b>	<b>0</b>	<b>97,411</b>	<b>219,165</b>	<b>343,977</b>	<b>471,916</b>	<b>603,052</b>	<b>737,458</b>	<b>875,207</b>
Year	37	38	39	40	41	42	43	44	45
<b>Opening Loan</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Average Interest	0	0	0	0	0	0	0	0	0
Other Capital Receipts	0	0	0	0	0	0	0	0	0
Sales Receipts	0	0	0	0	0	0	0	0	0
Staircasing Receipts	0	0	0	0	0	0	0	0	0
Gr'd Rent Sales Rec'pts	0	0	0	0	0	0	0	0	0
Loan Repayment, Total	0	0	0	0	0	0	0	0	0
<b>Closing Loan</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Gross Resid'l Rent</b>	<b>259,127</b>	<b>266,901</b>	<b>274,908</b>	<b>283,155</b>	<b>291,650</b>	<b>300,399</b>	<b>309,411</b>	<b>318,693</b>	<b>328,254</b>
<b>Gross Comm'l Rent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Service Charges	0	0	0	0	0	0	0	0	0
Ground Rents	0	0	0	0	0	0	0	0	0
Voids	5,183	5,338	5,498	5,663	5,833	6,008	6,188	6,374	6,565
<b>s/t</b>	<b>253,944</b>	<b>261,563</b>	<b>269,409</b>	<b>277,492</b>	<b>285,817</b>	<b>294,391</b>	<b>303,223</b>	<b>312,319</b>	<b>321,689</b>
Managing Agent	0	0	0	0	0	0	0	0	0
RSL Management	45,785	47,388	49,046	50,763	52,539	54,378	56,281	58,251	60,290
Maintenance	31,397	32,496	33,634	34,811	36,029	37,290	38,595	39,946	41,344
Services Cost	0	0	0	0	0	0	0	0	0
Reinstatement Cost	0	0	0	0	0	0	0	0	0
Another Allowance	0	0	0	0	0	0	0	0	0
Major Repairs	35,596	37,020	38,500	40,041	41,642	43,308	45,040	46,842	48,715
<b>Net Rent</b>	<b>141,166</b>	<b>144,659</b>	<b>148,229</b>	<b>151,878</b>	<b>155,606</b>	<b>159,415</b>	<b>163,306</b>	<b>167,280</b>	<b>171,339</b>
<i>Net Rent + Rec's - Inter't</i>	<i>141,166</i>	<i>144,659</i>	<i>148,229</i>	<i>151,878</i>	<i>155,606</i>	<i>159,415</i>	<i>163,306</i>	<i>167,280</i>	<i>171,339</i>
<b>Cashflow</b>	<b>141,166</b>	<b>144,659</b>	<b>148,229</b>	<b>151,878</b>	<b>155,606</b>	<b>159,415</b>	<b>163,306</b>	<b>167,280</b>	<b>171,339</b>
<b>Cum. Balance</b>	<b>1,016,372</b>	<b>1,161,032</b>	<b>1,309,261</b>	<b>1,461,138</b>	<b>1,616,744</b>	<b>1,776,159</b>	<b>1,939,464</b>	<b>2,106,744</b>	<b>2,278,084</b>

# East Thames Group

## Rent & Sale Appraisal Summary

SDS ProVal Version 9.13 Nov-2012

**Scheme Name** EFDC - Roundhills, Waltham Abbey

**Date** 24 Jun 2013

**Address**  
 Funding Year 2013/2014  
 Local Authority Epping Forest  
 Scheme Description  
 Units 10

**Appraisal by** georg.herrmann  
**Seller**  
**Site Area (acs)** 0 ha  
**Defaults Validation Check** X See validation page for details  
**Appraisal Version** 1

### Unit Details

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 m<sup>2</sup>  
 Units sold at end Year

A	B	C	D	E	F	G	H	Total - All Units
Affordable Rent	Affordable Rent							
77	93							834
4	5							44
6	4							10
n	n							0
165.58	180.00							89,407
								0

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 m<sup>2</sup>  
 Units sold at end Year

I	J	K	L	M	N	O	P

### Acquisition & Works Costs

Acquisition  
 Works

Total	Average per Unit	Average per Person	hr - habitable room, ac - acre, ha - hectare	nfa - net floor area, gfa - gross floor area
0	0	0		
1,414,500	141,450	32,148	1,696 /m <sup>2</sup> nfa	1,696 /m <sup>2</sup> gfa
<b>Total</b>	<b>1,414,500</b>	<b>141,450</b>		

A&W as % of Market Sales Value

### Development Subsidy

Total	Av'ge per Res' Unit	Average per Person	% TSC
140,000	14,000	3,182	8.58%

### Other Capital Receipts (not Sales)

Lump Sums: Rec'd In Year  
 Capitalised Ground Rents, Total

### RSL Funding

Total	Per Unit	Per Person	% of TSC
0			
0			
0			
0			
0			
1,490,993	149,099	33,886	91.4%
<b>Total</b>	<b>1,490,993</b>	<b>149,099</b>	<b>91.4%</b>

### Total Scheme Costs

	Total	% TSC
Acquisition & Works as Section B	1,414,500	86.7%
Development Fees as Section D	190,095	11.7%
User-defined Interest Cost	26,398	1.6%
Other Costs	0	
<b>Total Scheme Cost (TSC)</b>	<b>1,630,993</b>	

### Subsidy & Other Funding

Total	Per Unit	Per Person	% of TSC
0			
140,000	14,000	3,182	8.6%
0			
<b>Total</b>	<b>140,000</b>	<b>14,000</b>	<b>8.6%</b>

Residential Market Value 0  
 Commercial Market Value 0  
 TSC as % of Market Sales Value

### Private Finance

	Total	% of TSC	% of MSV
Total Scheme Cost	1,630,993	100.0%	0.0%
Development Subsidy	140,000	8.6%	0.0%
Receipts from Initial Sales	0		
Advance Rent Income	0		
Loan Adjustment	0		
Capital Contribution at Year 1	0		
<b>Net Loan (before sales)</b>	<b>1,490,993</b>	<b>91.4%</b>	<b>0.0%</b>

Interest Rates	Loan A	Loan B
Loan Amounts	1,490,993	0
Year 1 to 45	3.50%	

Repayment Method Interest Only

### Inflation & Allowances

Base Inflation Rate 2.50%  
 Year 1 Effective Inflation Rates & Values for Income

	Inflation Rate
Residential Tenant Rent	3.00%
Commercial Rent - n/a	
Ground Rent	2.50%
Services (Charges and Costs)	2.50%
Market Sales Values (Residential) - n/a	0.00%
Market Sales Values (Commercial) - n/a	0.00%

### Year 1 Effective Inflation Rates & Values for Allowances

	Inflation Rate	Cost Per Unit, p.a.
Management	3.50%	1,327
Managing Agent	n/	0.00%
Maintenance	3.50%	910
Reinstatement	2.50%	0
Another Allowance	2.50%	0
Major Repairs	4.00%	0
Voids	n/	2.00%

### Long Term Cashflow

Loan Repayment Method Interest Only

Peak Loan Occurs in Year 1 1,490,993  
 Revenue First Exceeds Costs Year 1  
 Loan Repaid by Year 30

Chosen NPV Calculation Net Rent + Cap. Val. - Loan  
 NPV Discount Rate 3.50%  
 Summarise Cashflow Results to Year 30  
 Capital Value of Scheme - Year 1  
 Capital Growth Rate p.a.  
 Discounted Cap. Value

	Per Unit	Per Person
Max. Annual Deficit: Year	n/a	
Capitalised Yr. 1 Net Revenue Surplus	40,297	9,158
Cum. Surplus at Year 30	97,411	2,214
NPV Net Rent + Cap. Val. - Loan	35,149	799
IRR	3.67%	
NPV of Net Rent Only	1,526,142	
NPV of All Capital Receipts	0	

Interest Total 996,382  
 Min. Interest Cover: Year 1 127.58%  
 Target Interest Cover % 115.00%  
 First met after Year 1 in Year 2

Last Works payment in Scheme Cashflow Jan-2015