

APPENDIX 3 FLINTSHIRE COUNTY COUNCIL
Walks Site - Financial Analysis

Income

Units and rents					
Units:	Size (sq m)	Unit no.	Mthly Rent £		Annual rent
1 bed 2p Apt		4	£78.35		£16,340
2 bed 3p Apt		2	£86.76		£9,047
2 bed 4p H		18	£92.95		£87,233
3 bed 5p H		6	£102.24		£31,985
2 bed Bungalow		-	£0.00		£0
Total		30	£360.29		£144,605

Property mix, opening market values (OMV) and Gross rental values (based on 2017/18 rents)

- Opening **Gross Annual Rent** chargeable to tenants @ 2016.17 prices = **£144,605 p.a**
- Rents set at 105% of Social Rents
- Rents indexation

Year	CPI Assumption
2017/18	1.4%
2018/19	1.4%
2019/20	2.0%
2020/21	2.0%
2021/22	2.0%
2022/23	2.0%

Costs

- Build Cost (payable to Wates) = £3.950m (exc VAT).
- Average cost per property = £131,667.
- Land Value – N/A

Description	Cost Parameters
Major Repair fee – years 6-50	0.70%
Management Fee	£400 p.a.
Void allowance	2.5%
Maintenance Yr1	£100 p.a.
Maintenance Yr 2/3	£200 p.a.
Maintenance Yr 4 +	£400 p.a.
Indexation of fees	CPI (see above)

Resource Implications

1. The yr. 1 cost for the scheme is a deficit of £48.9k reducing year on year until year 28 when net rents cover the yearly financing costs.
2. Total Scheme Financing Cost - £6.371m
3. Break-even – Yr. 49