Council Batch 2 Schemes - Financial Appraisal

Summary	Council
	50 year Scheme
Parameters	
Inflation	CPI @ 2%
Rent Inflation	CPI +0.5%
Maintenance	2.00%
Cyclical Major Repairs	2.00%
Management Costs	2.00%
Development Cost	
Number of Properties	40
Build Cost	£ 6,253,578
Development Finance	£ 123,353
Fees	n/a
Total Cost	**£ 6,376,931**
Income Generated	
Opening Gross Rental Income	£ 194,761
Av. yrly Maintenance allowance	27,355
Av. yrly Management allowance	27,926
Av. yrly Voids and Bad Debts allowance	9,678
Av. Yrly Major Repair Allowance	32,921
% Of Gross Rent	25.3%
Funded:	
Term	50 Years
Initial Rate	4.70%
Repayment Type	Pru Borrowing
Total Cost over Life	**£ 13,522,193**
Shortfall/(Surplus) pre Tax	**£ (939,219)**
Payback	**Yr 49**

Allowances	Parameters		
	Yr 1	Yrs 2-5	Yrs 5+
Management	£ 400	£ 400	£ 400
Maintenance	£ 100	£ 200	£ 400
Void/Bad Debts	2.50%	2.50%	2.50%