

## The Financial Implications of Buying 19 Ilford Court, Elmbridge Village, Cranleigh, Surrey, GU6 8TJ

Set out below are worked examples of the financial implications of buying the above property. Created on 26/7/2024.

**Note: These worked examples are for guidance only. Please discuss your individual circumstances and financial commitments with your solicitor, other legal or financial adviser.**

This illustration is not a forecast and, like any other investment, the value of properties in the village could go down as well as up.

### **EXAMPLE 1: TYPICAL ANNUAL COSTS**

This first example deals with the potential annual costs of buying a retirement property. **It excludes:**

- The cost of any **mortgage** you may have, and;
- The **personal monthly bills** for which you would be liable, such as council tax, electricity, gas, water, telephone rates and charges, (if applicable), contents insurance, television licence, broadband / satellite / cable subscriptions and any other bills.

The costs shown are based upon the purchase cost and service charge costs for single or double occupancy of a 2 bedroom Apartment, address 19 Ilford Court, Elmbridge Village, Cranleigh, Surrey, GU6 8TJ, purchased for **£165,000 (One Hundred and Sixty-Five Thousand Pounds)**.

As a leasehold owner, you will be responsible for the following costs, which are applicable from: Apr 2024 to Mar 2025 and annually thereafter.

<b>Costs (single or double occupancy)</b>	<b>Monthly</b>	<b>Annual</b>
<b>Service Charge</b> Reviewed every year in consultation with residents.	£558.89	£6,706.72
<b>Ground Rent</b> Doubles every 20 years from the start of the lease	£29.17	£350.00
<b>Total</b>	<b>£588.06</b>	<b>£7,056.72</b>

### **EXAMPLE 2: A SALE (Otherwise known as assignment) of your property**

This second example deals with some of the one-off costs if you were to sell (otherwise known as to “assign”) your property. **It excludes:**

- Any outstanding **ground rent** or **service charge** that you owe;
- Any **mortgage costs**, including the cost of paying off (sometimes referred to as redeeming) your mortgage;
- The costs of any **solicitor**, conveyancer or legal adviser you appoint to deal with the sale/assignment;
- Any **estate agents fees**; (Inclusive if using Elmbridge Village Management Limited re-sales service)
- Any **tax** which you may have to pay, including stamp duty;
- Any **costs of moving**;
- The **cost of ensuring the property is in good decorative order prior to the resale.**

*The assignment fee, which is payable to the landlord, Elmbridge Village Management Limited, provides a return on the original investment in developing the communal facilities in the Village. It does not contribute towards the costs of any services that are provided or to a sinking fund and accordingly is not held in trust for residents*

If you purchase the property for £165,000 and in the future sell/assign it for the sale prices below, examples of the corresponding assignment fees incurred on the sale/assignment of the property are indicated underneath the sale prices:-

**The proportion of the sales price payable does not change over time: 12.5% Fixed fee, does not change over time**

FEE	Calculation Method	Cost
<b>EXAMPLE A: If you sell the property after 6 years and the property has <u>not changed</u> in value</b>		
Sale Price		£165,000
The Assignment Fee if paid on sale	12.5% of the sale price	£20,625 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE B: If you sell the property after 6 years and the property has increased in value by 3% per annum.</b>		
Sale Price		£197,019
The Assignment Fee if paid on sale	12.5% of the sale price	£24,627 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE C: If you sell the property after 6 years and the property has decreased in value by 3% per annum.</b>		
Sale Price		£137,440
The Assignment Fee if paid on sale	12.5% of the sale price	£17,180 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE D: If you sell the property within 2 years and the property has increased in value by 3% per annum.</b>		
Sale Price		£175,048
The Assignment Fee if paid on sale	12.5% of the sale price	£21,881 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE E: If you sell the property within 2 years and the property has decreased in value by 3% per annum.</b>		
Sale Price		£155,248
The Assignment Fee if paid on sale	12.5% of the sale price	£19,406 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE F: If you sell the property within 1 year and the property has increased in value by 3% per annum.</b>		
Sale Price		£169,950
The Assignment Fee if paid on sale	12.5% of the sale price	£21,244 Payable when you sell

FEE	Calculation Method	Cost
<b>EXAMPLE G: If you sell the property within 1 year and the property has decreased in value by 3% per annum.</b>		
Sale Price		£160,050
The Assignment Fee if paid on sale	12.5% of the sale price	£20,006 Payable when you sell