

The Financial Implications of Buying 6 Lady Cooper Court, Berkhamsted, Castle Village, Hertfordshire, HP4 2GY

Set out below are worked examples of the financial implications of buying the above property. Created on 30/9/2024.

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 3 bedroom Bungalow, address 6 Lady Cooper Court, Berkhamsted, Castle Village, Hertfordshire, HP4 2GY, purchased for **£775,000 (Seven Hundred and Seventy-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.

Costs	Single Occupancy		Double Occupancy	
	Monthly	Annual	Monthly	Annual
Service Charge Reviewed every year in consultation with residents.	£1,177.83	£14,134.00	£1,194.50	£14,334.00
Ground Rent Fixed for the duration of the lease	£20.83	£250.00	£20.83	£250.00
Total	£1,198.67	£14,384.00	£1,215.33	£14,584.00

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 "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 Castle 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, Castle 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 £775,000 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: 10% Fixed fee, does not change over time.

FEE	Calculation Method	Cost
EXAMPLE A: If you sell the property after 6 years and the property has <u>not</u> changed in value		
Sale Price		£775,000
The Assignment Fee if paid on sale	10% of the sale price	£77,500 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE B: If you sell the property after 6 years and the property has increased in value by 3% per annum.		
Sale Price		£925,391
The Assignment Fee if paid on sale	10% of the sale price	£92,539 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE C: If you sell the property after 6 years and the property has decreased in value by 3% per annum.		
Sale Price		£645,553
The Assignment Fee if paid on sale	10% of the sale price	£64,555 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE D: If you sell the property within 2 years and the property has increased in value by 3% per annum.		
Sale Price		£822,198
The Assignment Fee if paid on sale	10% of the sale price	£82,220 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE E: If you sell the property within 2 years and the property has decreased in value by 3% per annum.		
Sale Price		£729,198
The Assignment Fee if paid on sale	10% of the sale price	£72,920 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE F: If you sell the property within 1 year and the property has increased in value by 3% per annum.		
Sale Price		£798,250
The Assignment Fee if paid on sale	10% of the sale price	£79,825 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE G: If you sell the property within 1 year and the property has decreased in value by 3% per annum.		
Sale Price		£751,750
The Assignment Fee if paid on sale	10% of the sale price	£75,175 Payable when you sell