

The Financial Implications of Buying 1 Imphal Close, Lime Tree Village, Rugby, Warwickshire, CV22 7WY

Set out below are worked examples of the financial implications of buying the above property. Created on 1/10/2024.

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 Cottage, address 1 Imphal Close, Lime Tree Village, Rugby, Warwickshire, CV22 7WY, purchased for **£385,000 (Three Hundred and Eighty-Five Thousand Pounds)**.

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

Costs	Single Occupancy		Double Occupancy	
	Monthly	Annual	Monthly	Annual
Service Charge	£582.17	£6,986.00	£607.17	£7,286.00
Ground Rent Fixed for the duration of the lease	£0.00	£0.00	£0.00	£0.00
Total	£582.17	£6,986.00	£607.17	£7,286.00

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 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**; (1.5% plus vat when Lime Tree Village (Management) Limited undertake sales and marketing or sellers choice of agent)
- 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, Lime Tree 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 £385,000 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 changes: 3% (1st year), 6% (2nd year) 9% (3rd year) 12% (4th Year) or (15% after the 4th year) of the sales price when re-sold.

FEE	Calculation Method	Cost
EXAMPLE A: If you sell the property after 4 years and the property has <u>not</u> changed in value		
Sale Price		£385,000
The Assignment Fee if paid on sale	15% of the sale price	£57,750 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE B: If you sell the property after 4 years and the property has increased in value by 3% per annum.		
Sale Price		£446,321
The Assignment Fee if paid on sale	15% of the sale price	£66,948 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE C: If you sell the property after 4 years and the property has decreased in value by 3% per annum.		
Sale Price		£330,613
The Assignment Fee if paid on sale	15% of the sale price	£49,592 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE D: If you sell the property between 3 & 4 years and the property has increased in value by 3% per annum.		
Sale Price		£433,321
The Assignment Fee if paid on sale	12% of the sale price	£51,999 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE E: If you sell the property between 3 & 4 years and the property has decreased in value by 3% per annum.		
Sale Price		£340,838
The Assignment Fee if paid on sale	12% of the sale price	£40,901 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE F: If you sell the property between 2 & 3 years and the property has increased in value by 3% per annum.		
Sale Price		£420,700
The Assignment Fee if paid on sale	9% of the sale price	£37,863 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE G: If you sell the property between 2 & 3 years and the property has decreased in value by 3% per annum.		
Sale Price		£351,379
The Assignment Fee if paid on sale	9% of the sale price	£31,624 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE H: If you sell the property between 1 & 2 years and the property has increased in value by 3% per annum.		
Sale Price		£408,446
The Assignment Fee if paid on sale	6% of the sale price	£24,507 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE I: If you sell the property between 1 & 2 years and the property has decreased in value by 3% per annum.		
Sale Price		£362,246
The Assignment Fee if paid on sale	6% of the sale price	£21,735 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE J: If you sell the property within 1 year and the property has increased in value by 3% per annum.		
Sale Price		£396,550
The Assignment Fee if paid on sale	3% of the sale price	£11,896 Payable when you sell

FEE	Calculation Method	Cost
EXAMPLE K: If you sell the property within 1 year and the property has decreased in value by 3% per annum.		
Sale Price		£373,450
The Assignment Fee if paid on sale	3% of the sale price	£11,204 Payable when you sell