

The Financial Implications of Buying 5 Debden House, Fallow Drive, Saffron Walden, Essex, CB11 3RP

Set out below are worked examples of the financial implications of buying the above property. Created on 1/11/2024.

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 Assignment Fee costs for occupying the 2 bedroom Apartment, address 5 Debden House, Fallow Drive, Saffron Walden, Essex, CB11 3RP, purchased for **£480,000 (Four Hundred and Eighty Thousand)**.

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

Costs (single or double occupancy)	Monthly	Annual
Management Fee Reviewed every year and revised in line with increase of Retail Price Index (RPI).	£743.31	£8,919.69
Ground Rent Fixed for the duration of the lease	£0.00	£0.00
Total	£743.31	£8,919.69

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 **Management Fee** 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 **tax** which you may have to pay, including stamp duty;
- Any **costs of moving**;
- Any **estate agents fees**; (1.25% plus vat when Debden Grange Ltd undertake sales and marketing or sellers choice of agent)
- The **cost of ensuring the property is in good decorative order prior to the resale.**

The Assignment Fee, which is payable to the landlord, Debden Grange 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 £480,000 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), 10% (3rd year) and then 15% (from the 4th year) of the sales price when resold.

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		£480,000
The Assignment Fee if paid on sale	15% of the sale price	£72,000 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		£573,145
The Assignment Fee if paid on sale	15% of the sale price	£85,972 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		£399,827
The Assignment Fee if paid on sale	15% of the sale price	£59,974 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		£540,244
The Assignment Fee if paid on sale	15% of the sale price	£81,037 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		£424,941
The Assignment Fee if paid on sale	15% of the sale price	£63,741 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		£524,509
The Assignment Fee if paid on sale	10% of the sale price	£52,451 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		£438,083
The Assignment Fee if paid on sale	10% of the sale price	£43,808 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		£509,232
The Assignment Fee if paid on sale	6% of the sale price	£30,554 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		£451,632
The Assignment Fee if paid on sale	6% of the sale price	£27,098 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		£494,400
The Assignment Fee if paid on sale	3% of the sale price	£14,832 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		£465,600
The Assignment Fee if paid on sale	3% of the sale price	£13,968 Payable when you sell

I/We confirm that I have read and understand the financial implications of purchasing 5 Debden House, Fallow Drive, Saffron Walden, Essex, CB11 3RP;

Signed by Purchaser/s
Print name/s
Date	
Signed by Village Manager	
Print name	
Date	