

The Financial Implications of Buying 43 Cassia House, Cassia House, West Byfleet, Surrey, KT14 6FP under the Guaranteed Repayment Lease

Set out below are worked examples of the financial implications of buying the above property. Created on 17/1/2025.

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

EXAMPLE 1: INDEX-LINKED ANNUAL COSTS

This first example deals with the 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, contents insurance, television licence, cable subscriptions and any other bills.

The costs shown are based upon the management fee and utilities fee for occupying the 2 bedroom Apartment, address 43 Cassia House, Cassia House, West Byfleet, Surrey, KT14 6FP, purchased for **£730,950**. These charges are subsidised by the landlord, .

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

Costs (for both single and double occupancy)	Monthly	Annual
Management Fee Increasing each year in line with (CPIH). Payable from completion until 2 months following the Notice to Vacate.	£498.33	£5,980.00
Ground Rent Not applicable	£0.00	£0.00
Total	£0.00	£0.00

EXAMPLE 2: FIXED SALE COSTS

All properties sold under a Guaranteed Repayment Lease are bought back by the landlord; owners cannot sell them on the open market. Scenarios A to C in the second table below set out the one-off fees payable to the landlord on returning the property at the end of your period of ownership. **The illustrations exclude:**

- Any outstanding **management fee, utility fee or other arrears** that you owe;
- Any **mortgage costs**, including the cost of paying off (sometimes referred to as redeeming) your mortgage;
- Any **tax** which you may have to pay, including stamp duty;
- Any **costs of moving**

Any **capital appreciation** (or depreciation) of the property is retained by the landlord, N/A. Irrespective on any increase or decrease in value, the landlord covers the other costs involved in selling the property, which include:

- Management fees, from 2 months after service of the Notice to Vacate
- Sales agency fees
- Legals fees
- Refurbishment costs

A Deferred Management Fee (called an 'Event Fee' in the lease) is payable on resale to the landlord, N/A. The Fee is calculated based on the length of ownership. The Deferred Management Fee provides a return on the original investment in the communal facilities and enables Thrive by Retirement Living to subsidise the Management Fee.

There is **no requirement** for you to instruct a solicitor or sales agent to sell the property as the repayment amount is guaranteed.

If you purchase the property for **£730,950** and in the future surrender the property to the landlord, N/A, examples A to C show the Deferred Management Fee payable and the Guaranteed Repayment that will be returned once the landlord has resold the property.

The proportion of the sales price payable changes: 8% for a sale in the first year, 16 for a sale in the second year and 24% thereafter.

	Calculation Method	Cost
EXAMPLE A: If you vacate the property within the First year		
Sale Price		£730,950
Deferred Management Fee paid on sale	8% of the sale price	£58,476
GUARANTEED REPAYMENT AMOUNT (payable upon resale)		£672,474

	Calculation Method	Cost
EXAMPLE B: If you vacate the property within the Second year		
Sale Price		£730,950
Deferred Management Fee paid on sale	16% of the sale price	£116,952
GUARANTEED REPAYMENT AMOUNT (payable upon resale)		£613,998

	Calculation Method	Cost
EXAMPLE C: If you vacate the property within the Third year		
Sale Price		£730,950
Deferred Management Fee paid on sale	24% of the sale price	£175,428
GUARANTEED REPAYMENT AMOUNT (payable upon resale)		£555,522

I/We confirm that I have read and understand the financial implications of purchasing 43 Cassia House, Cassia House, West Byfleet, Surrey, KT14 6FP;

Signed by Purchaser/s

Print name/s

Date

Signed by Village Manager

Print name

Date

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