

## The Financial Implications of Buying 6 Bush Davies House, Charters Village Drive, East Grinstead, West Sussex, RH19 2NW

Set out below are worked examples of the financial implications of buying the above property. Created on 18/3/2025.

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

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 6 Bush Davies House, Charters Village Drive, East Grinstead, West Sussex, RH19 2NW, purchased for **£450,000 (Four Hundred and Fifty Thousand Pounds)**.

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  | Single Occupancy |                   | Double Occupancy |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | Monthly          | Annual            | Monthly          | Annual            |
| <b>Service Charge</b><br>Reviewed every year in consultation with residents. | £1,081.67        | £12,980.00        | £1,106.67        | £13,280.00        |
| <b>Ground Rent</b><br>Doubles every 20 years from the start of the lease     | £25.00           | £300.00           | £25.00           | £300.00           |
| <b>Total</b>   | <b>£1,106.67</b> | <b>£13,280.00</b> | <b>£1,131.67</b> | <b>£13,580.00</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**; (1.5% plus vat when Charters Village 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, Charters Village 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 £450,000 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: 2.5 (1st year), 5% (2nd year) or 10% (after year 2) of the sales price when resold.**

| 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  |                       | £450,000                      |
| The Assignment Fee if paid on sale  | 10% of the sale price | £45,000 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  |                       | £537,324                      |
| The Assignment Fee if paid on sale  | 10% of the sale price | £53,732 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  |                       | £374,837                      |
| The Assignment Fee if paid on sale  | 10% of the sale price | £37,484 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   |                      | £477,405                      |
| The Assignment Fee if paid on sale   | 5% of the sale price | £23,870 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   |                      | £423,405                      |
| The Assignment Fee if paid on sale   | 5% of the sale price | £21,170 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  |                        | £463,500                      |
| The Assignment Fee if paid on sale  | 2.5% of the sale price | £11,588 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  |                        | £436,500                      |
| The Assignment Fee if paid on sale  | 2.5% of the sale price | £10,912 Payable when you sell |