

The Financial Implications of Buying 15 Homewood Court, Cedars Village, Rickmansworth, Hertfordshire, WD3 5GB

Set out below are worked examples of the financial implications of buying the above property. Created on 15/4/2025.

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 management fee costs for single or double occupancy of a 2 bedroom Apartment, address 15 Homewood Court, Cedars Village, Rickmansworth, Hertfordshire, WD3 5GB, purchased for **£395,000 (Three Hundred and Ninety-Five Thousand Pounds)**.

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

Costs	Single Occupancy		Double Occupancy	
	Monthly	Annual	Monthly	Annual
Management Fee Increasing each year in line with (CPIH).	£722.72	£8,672.68	£722.72	£8,672.68
Ground Rent Fixed for the duration of the lease	£0.00	£0.00	£0.00	£0.00
Total	£722.72	£8,672.68	£722.72	£8,672.68

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 **estate agents fees**; (1.5% when Cedars 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, Cedars 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 £395,000 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: 4% for a sale in the first year, 8% for a sale in the second year, and 12% for a sale in the third year, 16% for a sale in the fourth year and 20% thereafter of the sales price when the property is re-sold.

FEE	Calculation Method	Cost
EXAMPLE A: If you sell the property after 4 years and the property has <u>not changed</u> in value		
Sale Price		£395,000
The Assignment Fee if paid on sale	20% of the sale price	£79,000 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		£457,913
The Assignment Fee if paid on sale	20% of the sale price	£91,583 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		£339,200
The Assignment Fee if paid on sale	20% of the sale price	£67,840 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		£444,576
The Assignment Fee if paid on sale	16% of the sale price	£71,132 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		£349,691
The Assignment Fee if paid on sale	16% of the sale price	£55,951 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		£431,627
The Assignment Fee if paid on sale	12% of the sale price	£51,795 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		£360,506
The Assignment Fee if paid on sale	12% of the sale price	£43,261 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		£419,056
The Assignment Fee if paid on sale	8% of the sale price	£33,524 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		£371,656
The Assignment Fee if paid on sale	8% of the sale price	£29,732 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		£406,850
The Assignment Fee if paid on sale	4% of the sale price	£16,274 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		£383,150
The Assignment Fee if paid on sale	4% of the sale price	£15,326 Payable when you sell