

## The Financial Implications of Buying 2 Imphal Close, Lime Tree Village, Rugby, Warwickshire, CV22 7ZL

Set out below are worked examples of the financial implications of buying the above property. Created on 25/4/2025.

**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 service charge costs for single or double occupancy of a 2 bedroom Cottage, address 2 Imphal Close, Lime Tree Village, Rugby, Warwickshire, CV22 7ZL, 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           |
| <b>Service Charge</b>                                     | £582.17          | £6,986.00        | £607.17          | £7,286.00        |
| <b>Ground Rent</b><br>Fixed for the duration of the lease | £0.00            | £0.00            | £0.00            | £0.00            |
| <b>Total</b>  | <b>£582.17</b>   | <b>£6,986.00</b> | <b>£607.17</b>   | <b>£7,286.00</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 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                          |
|---|-----------------------|-------------------------------|
| <b>EXAMPLE A: If you sell the property after 4 years and the property has <u>not</u> changed in value</b> |                       |                               |
| 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                          |
|---|-----------------------|-------------------------------|
| <b>EXAMPLE B: If you sell the property after 4 years and the property has increased in value by 3% per annum.</b> |                       |                               |
| 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                          |
|---|-----------------------|-------------------------------|
| <b>EXAMPLE C: If you sell the property after 4 years and the property has decreased in value by 3% per annum.</b> |                       |                               |
| 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                          |
|---|-----------------------|-------------------------------|
| <b>EXAMPLE D: If you sell the property between 3 &amp; 4 years and the property has increased in value by 3% per annum.</b> |                       |                               |
| 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                          |
|---|-----------------------|-------------------------------|
| <b>EXAMPLE E: If you sell the property between 3 &amp; 4 years and the property has decreased in value by 3% per annum.</b> |                       |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE F: If you sell the property between 2 &amp; 3 years and the property has increased in value by 3% per annum.</b> |                      |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE G: If you sell the property between 2 &amp; 3 years and the property has decreased in value by 3% per annum.</b> |                      |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE H: If you sell the property between 1 &amp; 2 years and the property has increased in value by 3% per annum.</b> |                      |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE I: If you sell the property between 1 &amp; 2 years and the property has decreased in value by 3% per annum.</b> |                      |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE J: If you sell the property within 1 year and the property has increased in value by 3% per annum.</b> |                      |                               |
| 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                          |
|---|----------------------|-------------------------------|
| <b>EXAMPLE K: If you sell the property within 1 year and the property has decreased in value by 3% per annum.</b> |                      |                               |
| Sale Price  |                      | £373,450                      |
| The Assignment Fee if paid on sale  | 3% of the sale price | £11,204 Payable when you sell |