<u>The Financial Implications of Buying 52 Debden House, Fallow Drive, Saffron Walden, N/A, CB11 3RP</u>

Set out below are worked examples of the financial implications of buying the above property. Created on 18/6/2024.

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.

<u>EXAMPLE 1: TYPICAL ANNUAL COSTS</u>
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 single or double occupancy of a 2 bedroom Apartment, address 52 Debden House, Fallow Drive, Saffron Walden, , CB11 3RP, purchased for **£475,000 (Four Hundred and Seventy-Five Thousand Pounds)**.

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**

<u>EXAMPLE 2: A SALE (Otherwise known as assignment) of your property</u>

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 £475,000 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 not changed in value		
Sale Price		£475,000
The Assignment Fee if paid on sale	15% of the sale price	£71,250 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		£567,175
The Assignment Fee if paid on sale	15% of the sale price	£85,076 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		£395,662
The Assignment Fee if paid on sale	15% of the sale price	£59,349 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		£534,617
The Assignment Fee if paid on sale	15% of the sale price	£80,193 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		£420,514
The Assignment Fee if paid on sale	15% of the sale price	£63,077 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		£519,045
The Assignment Fee if paid on sale	10% of the sale price	£51,904 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		£433,520
The Assignment Fee if paid on sale	10% of the sale price	£43,352 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		£503,928
The Assignment Fee if paid on sale	6% of the sale price	£30,236 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		£446,928
The Assignment Fee if paid on sale	6% of the sale price	£26,816 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		£489,250
The Assignment Fee if paid on sale	3% of the sale price	£14,678 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		£460,750
The Assignment Fee if paid on sale	3% of the sale price	£13,822 Payable when you sell