

# Estate Regeneration Programme - Draft Financial Viability Appraisal - Version 03

## Refurbishment Assumptions

Baseline

Cressingham Opt 4	Cressingham Gardens Opt 1	Cressingham Opt 2	Cressingham Opt 3
1	2	3	4

### Programme

Build Duration (wks)

0 0 0 0

### Accommodation Split

### Rents & Operational Allowances

Retained Council Housing

Gross rent per week					
1	£94.62	£94.62	£94.62	£94.62	£94.62
2	£108.12	£108.12	£108.12	£108.12	£108.12
3	£124.43	£124.43	£124.43	£124.43	£124.43
4	£143.69	£143.69	£143.69	£143.69	£143.69
5	£157.34	£157.34	£157.34	£157.34	£157.34
	Voids	3%	3%	3%	3%
	Management, lettings cost and debt	66%	66%	66%	66%
	Maintenance costs	£0	£0	£0	£0
	Realm management cost	£0	£0	£0	£0
	Sink cost	£0	£0	£0	£0
	Service charge cost	£0	£0	£0	£0
	Council tax cost	£0	£0	£0	£0
Gross:Net Rent (Beds/dwelling)					
1	33.12%	33.12%	33.12%	33.12%	33.12%
2	33.12%	33.12%	33.12%	33.12%	33.12%
3	33.12%	33.12%	33.12%	33.12%	33.12%
4	33.12%	33.12%	33.12%	33.12%	33.12%
5	0.00%	0.00%	0.00%	0.00%	0.00%

### Values

Retained Council Rented Stock

Bedrooms					
1	£94.62	£94.62	£94.62	£94.62	£94.62
2	£108.12	£108.12	£108.12	£108.12	£108.12
3	£124.43	£124.43	£124.43	£124.43	£124.43
4	£143.69	£143.69	£143.69	£143.69	£143.69
5	£157.34	£157.34	£157.34	£157.34	£157.34

### Residential build costs

#### Inflation

	PA	PA	PA	PA
Private Rent	3.00%	3.00%	3.00%	3.00%
Private Sale	5.00%	5.00%	5.00%	5.00%
NB Council Rent (Net Gain)	2.20%	2.20%	2.20%	2.20%
Shared Equity (% of Replaced Leaseholders)	2.20%	2.20%	2.20%	2.20%
Retained Council Rented Stock	2.20%	2.20%	2.20%	2.20%
Income from car parking spaces	2.20%	2.20%	2.20%	2.20%
Non-Residential income	2.20%	2.20%	2.20%	2.20%
Capitalised Ground Rents	2.20%	2.20%	2.20%	2.20%
Other Income	2.20%	2.20%	2.20%	2.20%
Regeneration growth factor	2.20%	2.20%	2.20%	2.20%
HCA Grant / Investment	2.20%	2.20%	2.20%	2.20%
Spare	2.20%	2.20%	2.20%	2.20%
Spare	2.20%	2.20%	2.20%	2.20%
Residential build costs	4.00%	4.00%	4.00%	4.00%

Non Residential build costs	4.00%	4.00%	4.00%	4.00%
Professional Fees	0.00%	0.00%	0.00%	0.00%
Statutory costs	0.00%	0.00%	0.00%	0.00%
Community Investment	0.00%	0.00%	0.00%	0.00%
Other costs	0.00%	0.00%	0.00%	0.00%
AH Overheads	1.30%	1.30%	1.30%	1.30%
SPV Overheads	1.30%	1.30%	1.30%	1.30%
Developer's Management Fees	1.30%	1.30%	1.30%	1.30%
Sub Debt funding by LBL	0.00%	0.00%	0.00%	0.00%
Prelim fees	4.00%	4.00%	4.00%	4.00%

### Cashflow

NPV Discount Factor	6.09%	6.09%	6.09%	6.09%
Inflation Included ?	y	y	y	y
NPV Cashflow Period (Years) ?	30.00	30.00	30.00	30.00

### Leaseholder Cost Recovery

RTB buy back pot	0%	0%	0%	0%
Refurbishment Leaseholder Repayment	80%	80%	80%	80%

### Refurbishment Works Costs

- Tenant Refurbishment and Improvement Works phase 1 yr 5	56%	100%	97%	92%
-Tenant Refurbishment and Improvement Works phase 2 yr10	56%	100%	97%	92%
- Lease /Freeholder Refurbishment and Improvement Works phase 1 yr 5	70%	100%	87%	85%
- Lease /Freeholder Refurbishment and Improvement Works phase 2 yr10	70%	100%	87%	85%

Refurbishment Works Costs	£5,964,518.62	£9,865,636.20	£9,253,064.02	£8,866,176.32
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