

**Proposal - Honeycroft Redevelopment**

**Initial Investment Incurred by TDC \*** **£**  
**3,250,000**

**Rent Assumptions - See Workings Tab**

**Voids 2%**

**Bad Debts 2%**

**Rent Increase CPI +1%**

**HRA Costs Inflated 2%**

**Standard HRA costs applied**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>
Rent Income	-72,356	-74,526	-76,762	-79,065	-81,437	-83,880	-86,396	-88,988	-91,658	-94,408	-97,240
Less Voids	1,447	1,491	1,535	1,581	1,629	1,678	1,728	1,780	1,833	1,888	1,945
<b>Total Income</b>	<b>-73,803</b>	<b>-76,017</b>	<b>-78,297</b>	<b>-80,646</b>	<b>-83,066</b>	<b>-85,558</b>	<b>-88,124</b>	<b>-90,768</b>	<b>-93,491</b>	<b>-96,296</b>	<b>-99,185</b>
<b>Costs</b>											
Mgt	6,955	7,094	7,236	7,381	7,529	7,679	7,833	7,990	8,149	8,312	8,479
Repairs	15,841	16,157	16,481	16,810	17,146	17,489	17,839	18,196	18,560	18,931	19,310
Major Repairs											
Bad Debts	1,476	1,520	1,566	1,613	1,661	1,711	1,762	1,815	1,870	1,926	1,984
CTAX on Voids	352	359	366	374	381	389	397	405	413	421	429
<b>Total Costs</b>	<b>24,624</b>	<b>25,131</b>	<b>25,649</b>	<b>26,178</b>	<b>26,718</b>	<b>27,269</b>	<b>27,831</b>	<b>28,405</b>	<b>28,992</b>	<b>29,590</b>	<b>30,201</b>
Surplus (-) Deficit (+)	-49,179	-50,885	-52,648	-54,468	-56,348	-58,289	-60,293	-62,363	-64,500	-66,706	-68,984
<b>Total Surplus after 30 Years</b>	<b>-2,251,899</b>	Surplus After 15 Years			<b>-944,888</b>						
<b>Yield P.A.</b>	<b>2.31%</b>					<b>0.97%</b>					

**Existing Stock Yield for comparison**

	<b>£'000</b>
<b>Market Value per 21/22 Accounts</b>	426,146
<b>Dwelling Rents 21/22</b>	12,813
<b>Yield</b>	<b>3.01%</b>

Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
-100,157	-103,162	-106,257	-109,444	-112,728	-116,110	-119,593	-123,181	-126,876	-130,682	-134,603	-138,641	-142,800	-147,084
2,003	2,063	2,125	2,189	2,255	2,322	2,392	2,464	2,538	2,614	2,692	2,773	2,856	2,942
<b>-102,160</b>	<b>-105,225</b>	<b>-108,382</b>	<b>-111,633</b>	<b>-114,982</b>	<b>-118,432</b>	<b>-121,985</b>	<b>-125,644</b>	<b>-129,414</b>	<b>-133,296</b>	<b>-137,295</b>	<b>-141,414</b>	<b>-145,656</b>	<b>-150,026</b>
8,648	8,821	8,998	9,177	9,361	9,548	9,739	9,934	10,133	10,335	10,542	10,753	10,968	11,187
19,696	20,090	20,492	20,901	21,319	21,746	22,181	22,624	23,077	23,538	24,009	24,489	24,979	25,479
													250,000
2,043	2,105	2,168	2,233	2,300	2,369	2,440	2,513	2,588	2,666	2,746	2,828	2,913	3,001
438	447	456	465	474	483	493	503	513	523	534	544	555	566
<b>30,825</b>	<b>31,462</b>	<b>32,112</b>	<b>32,776</b>	<b>33,454</b>	<b>34,146</b>	<b>34,853</b>	<b>35,574</b>	<b>36,311</b>	<b>37,063</b>	<b>37,831</b>	<b>38,615</b>	<b>39,415</b>	<b>290,233</b>
-71,335	-73,763	-76,270	-78,857	-81,528	-84,286	-87,132	-90,070	-93,103	-96,233	-99,464	-102,799	-106,241	140,207

<b>Year 26</b>	<b>Year 27</b>	<b>Year 28</b>	<b>Year 29</b>	<b>Year 30</b>
-151,497	-156,042	-160,723	-165,545	-170,511
3,030	3,121	3,214	3,311	3,410
<b>-154,527</b>	<b>-159,162</b>	<b>-163,937</b>	<b>-168,855</b>	<b>-173,921</b>
11,411	11,639	11,872	12,109	12,352
25,988	26,508	27,038	27,579	28,130
3,091	3,183	3,279	3,377	3,478
578	589	601	613	625
<b>41,068</b>	<b>41,920</b>	<b>42,790</b>	<b>43,679</b>	<b>44,586</b>
-113,459	-117,243	-121,147	-125,177	-129,335

**\* Total Cost less grant**

**Comparison - Sales**

6 x 2 bed bungalows at £240,000	1,440,000
7 x 1 bed bungalows at £225,000	1,575,000
1 x 2 bed flat at £220,000	220,000
1 x community building	150,000

**If sold at Actual Market Price say**

Sale Proceeds	3,385,000.00
Comparative Yield	<b>3.47%</b>
Cash Gain	<b>135,000</b>