

Purchase Cost Model

1 Bed Apartment		
		Sterling
Purchase price		£ 42,123.00
Initial Outlay		
Reservation Fee - Payable with 48 hours		£ 3,000.00
First Deposit 10%		£ 1,212.30
Total		£ 4,212.30
Value Upon Completion		
		£ 47,683.24
MORTGAGE AMOUNT AND FEES INCURRED		
Mortgage amount 90% LTV		£ 42,914.91
Bank fee for mortgage	2%	£ 858.30
Broker Fee		£ 500.00
Valuation fee		£ 300.00
Legal costs (Lawyer) 80% of fee		£ 1,040.00
Habitation tax		£ 200.00
Military Clearance		£ 210.00
Notary		£ 150.00
LEGAL COMPLETION COSTS		£ 3,258.30
Furniture - UPTO £4,000 for a 3 bed		
		£ 3,200.00
Total Owed upon Completion and Furniture		
		£ 5,600.00
Cash Back upon Completion		
		£ 6,004.21
Variable Rental Option		
Mortgage amount		£ 42,914.91
MORTGAGE COSTS		
Monthly Mortgage Costs	6.4%	£ 311.71
Total Cost for year		£ 3,740.52
MONTHLY RUNNING COSTS		
Council Tax		£ 1.67
Utilities		£ 10.00
Property Tax	0.3%	£ 10.73
Insurance		£ 29.17
Communal charge		£ 41.67
Rental charges		£ 120.00
Total monthly fees		£ 213.23
Total yearly fees		£ 2,558.74
Yearly Fees including Mortgage		
		£ 6,299.27
Monthly Rental Low Season - 1.5 months expected		
		£ 500.00
Monthly Rental High Season - 4.5 months expected		
		£ 1,400.00
Yearly Rental		
		£ 7,050.00
Year 1 position		
		£ 750.73

Can be added to the loan

Sales Tax - Discounted through developer	1.5%	£ 643.72
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Growth and Cash Flow Projections

	2009	2010	2011	2012	2013	2014
Projected Growth		35%	20%	10%	10%	7%
Property Price	£42,123.00					
Property Value	£47,683.24	£64,372.37	£77,246.84	£84,971.53	£93,468.68	£100,011.49
Mortgage Value	£42,914.91	£40,681.76	£38,448.62	£36,215.47	£33,982.32	£31,749.17
Equity in 10 years	£4,768.32	£23,690.60	£38,798.23	£48,756.06	£59,486.36	£68,262.31
Variable Rental	2009	2010	2011	2012	2013	2014
Income	£9,795.91	£7,402.50	£7,772.63	£8,161.26	£8,569.32	£8,997.79
Mortgage	£3,740.52	£3,740.52	£3,740.52	£3,740.52	£3,740.52	£3,740.52
Running Costs	£2,558.74	£2,686.68	£2,821.02	£2,962.07	£3,110.17	£3,265.68
Net Cashflow	£3,496.65	£975.30	£1,211.09	£1,458.67	£1,718.63	£1,991.58
Culmulative	£3,496.65	£4,471.94	£5,683.03	£7,141.70	£8,860.32	£10,851.91

Explanation

1st year is part cash back and expected rental amount

Running costs and income increase by 5% due to inflation

	2015	2016	2017	2018	2019
Projected Growth	10%	10%	10%	5%	5%
Property Price					
Property Value	£110,012.64	£121,013.90	£133,115.29	£139,771.05	£146,759.61
Mortgage Value	£29,516.03	£27,282.88	£25,049.73	£22,816.58	£21,457.46
Equity in 10 years	£80,496.61	£93,731.02	£108,065.56	£116,954.47	£125,302.15
Variable Rental	2015	2016	2017	2018	2019
Income	£9,447.67	£9,920.06	£10,416.06	£10,936.86	£11,483.71
Mortgage	£3,740.52	£3,740.52	£3,740.52	£3,740.52	£3,740.52
Running Costs	£3,428.96	£3,600.41	£3,780.43	£3,969.45	£4,167.93
Net Cashflow	£2,278.19	£2,579.12	£2,895.11	£3,226.89	£3,575.26
Culmulative	£13,130.10	£15,709.22	£18,604.33	£21,831.22	£25,406.48

Purchase Cost Model

2 / 3 Bed Apartment		
		Sterling
Purchase price		£ 74,000.00
Initial Outlay		
Reservation Fee - Payable with 48 hours		£ 3,000.00
Remaining Balance		£ 4,400.00
Total		£ 7,400.00
Value Upon Completion		£ 83,768.00
MORTGAGE AMOUNT AND FEES INCURRED		
Mortgage amount 90% LTV		£ 75,391.20
Bank fee for mortgage	2%	£ 1,507.82
Broker Fee		£ 500.00
Valuation fee		£ 300.00
Legal costs (Lawyer) 80% of fee		£ 1,040.00
Habitation tax		£ 200.00
Military Clearance		£ 210.00
Notary		£ 150.00
LEGAL COMPLETION COSTS		£ 3,907.82
Furniture - UPTO £4,000 for a 3 bed		£ 3,500.00
Total Owed upon Completion and Furniture		£ 5,900.00
Cash Back upon Completion		£ 9,791.20
Total Cost of Investment		£ 3,508.80
Variable Rental Option		
Mortgage amount		£ 75,391.20
MORTGAGE COSTS		
Monthly Mortgage Costs	6.4%	£ 547.60
Total Cost for year		£ 6,571.20
MONTHLY RUNNING COSTS		
Council Tax		£ 1.67
Utilities		£ 15.00
Property Tax	0.3%	£ 18.85
Insurance		£ 15.00
Communal charge		£ 41.67
Rental charges		£ 154.00
Total monthly fees		£ 246.18
Total yearly fees		£ 2,954.17
Yearly Fees including Mortgage		£ 9,525.37
Monthly Rental Low Season - 1.5 months expected		£ 780.00
Monthly Rental High Season - 4.5 months expected		£ 1,800.00
Yearly Rental		£ 9,270.00
Year 1 position		-£ 255.37
Sales Tax - Discounted through developer	1.5%	£ 1,130.87

This is payable between 6 months and 24 months upon production of title deeds

Growth and Cash Flow Projections

	2009	2010	2011	2012	2013
Projected Growth		35%	20%	10%	10%
Property Price	£74,000.00				
Property Value	£83,768.00	£113,086.80	£135,704.16	£149,274.58	£164,202.03
Mortgage Value	£75,391.20	£71,468.10	£67,544.99	£63,621.89	£59,698.78
Equity in 10 years	£8,376.80	£41,618.70	£68,159.17	£85,652.69	£104,503.25
Variable Rental	2009	2010	2011	2012	2013
Income	£15,153.38	£9,733.50	£10,220.18	£10,731.18	£11,267.74
Mortgage	£6,571.20	£6,571.20	£6,571.20	£6,571.20	£6,571.20
Running Costs	£2,954.17	£3,101.88	£3,256.98	£3,419.83	£3,590.82
Net Cashflow	£5,628.00	£60.42	£392.00	£740.16	£1,105.73
Culmulative	£5,628.00	£5,688.42	£6,080.42	£6,820.58	£7,926.30

Explanation

1st year is part cash back and expected rental amount

Running costs and income increase by 5% due to inflation

	2014	2015	2016	2017	2018	2019
Projected Growth	7%	10%	10%	10%	5%	5%
Property Price						
Property Value	£175,696.18	£193,265.79	£212,592.37	£233,851.61	£245,544.19	£257,821.40
Mortgage Value	£55,775.68	£51,852.57	£47,929.47	£44,006.36	£40,083.26	£37,695.60
Equity in 10 years	£119,920.50	£141,413.22	£164,662.90	£189,845.25	£205,460.93	£220,125.80
Variable Rental	2014	2015	2016	2017	2018	2019
Income	£11,831.13	£12,422.69	£13,043.82	£13,696.01	£14,380.81	£15,099.85
Mortgage	£6,571.20	£6,571.20	£6,571.20	£6,571.20	£6,571.20	£6,571.20
Running Costs	£3,770.36	£3,958.88	£4,156.82	£4,364.66	£4,582.89	£4,812.04
Net Cashflow	£1,489.57	£1,892.61	£2,315.80	£2,760.15	£3,226.72	£3,716.62
Culmulative	£9,415.88	£11,308.49	£13,624.29	£16,384.44	£19,611.16	£23,327.78

Purchase Cost Model

Penthouse		
		Sterling
Purchase price		£ 103,000.00
Initial Outlay		
Reservation Fee - Payable with 48 hours		£ 3,000.00
First Deposit 10%		£ 7,300.00
Total		£ 10,300.00
Value Upon Completion		£ 116,596.00
MORTGAGE AMOUNT AND FEES INCURRED		
Mortgage amount 90% LTV		£ 104,936.40
Bank fee for mortgage	2%	£ 2,098.73
Broker Fee		£ 500.00
Valuation fee		£ 300.00
Legal costs (Lawyer) 80% of fee		£ 1,040.00
Habitation tax		£ 200.00
Military Clearance		£ 210.00
Notary		£ 150.00
LEGAL COMPLETION COSTS		£ 4,498.73
Furniture - UPTO £4,500 for a Large Penthouse		£ 4,000.00
Total Owed upon Completion and Furniture		£ 6,400.00
Cash Back upon Completion		£ 13,236.40
Variable Rental Option		
Mortgage amount		£ 104,936.40
MORTGAGE COSTS		
Monthly Mortgage Costs	6.4%	£ 762.20
Total Cost for year		£ 9,146.40
MONTHLY RUNNING COSTS		
Council Tax		£ 1.67
Utilities		£ 25.00
Property Tax	0.3%	£ 26.23
Insurance		£ 15.00
Communal charge		£ 41.67
Rental charges		£ 214.00
Total monthly fees		£ 323.57
Total yearly fees		£ 3,882.81
Yearly Fees including Mortgage		£ 13,029.21
Monthly Rental Low Season - 1.5 months expected		
		£ 1,180.00
Monthly Rental High Season - 4.5 months expected		
		£ 2,600.00
Yearly Rental		£ 13,470.00
Year 1 position		
		£ 440.79
Sales Tax - Discounted through developer		
		1.5% £ 1,574.05

£3,463.60

Growth and Cash Flow Projections

	2009	2010	2011	2012	2013	2014
Projected Growth		35%	20%	10%	10%	7%
Property Price	£103,000.00					
Property Value	£116,596.00	£157,404.60	£188,885.52	£207,774.07	£228,551.48	£244,550.08
Mortgage Value	£104,936.40	£99,475.86	£94,015.33	£88,554.79	£83,094.25	£77,633.71
Equity in 10 years	£11,659.60	£57,928.74	£94,870.19	£119,219.28	£145,457.23	£166,916.37
Variable Rental	2009	2010	2011	2012	2013	2014
Income	£22,207.67	£14,143.50	£14,850.68	£15,593.21	£16,372.87	£17,191.51
Mortgage	£9,146.40	£9,146.40	£9,146.40	£9,146.40	£9,146.40	£9,146.40
Running Costs	£3,882.81	£4,076.95	£4,280.80	£4,494.84	£4,719.58	£4,955.56
Net Cashflow	£9,178.46	£920.15	£1,423.48	£1,951.97	£2,506.89	£3,089.55
Culmulative	£9,178.46	£10,098.61	£11,522.09	£13,474.06	£15,980.95	£19,070.51

Explanation

1st year is part cash back and expected rental amount

Running costs and income increase by 5% due to inflation

	2015	2016	2017	2018	2019
Projected Growth	10%	10%	10%	5%	5%
Property Price					
Property Value	£269,005.09	£295,905.60	£325,496.16	£341,770.97	£358,859.52
Mortgage Value	£72,173.18	£66,712.64	£61,252.10	£55,791.56	£52,468.20
Equity in 10 years	£196,831.91	£229,192.96	£264,244.06	£285,979.40	£306,391.32
Variable Rental	2015	2016	2017	2018	2019
Income	£18,051.09	£18,953.64	£19,901.32	£20,896.39	£21,941.21
Mortgage	£9,146.40	£9,146.40	£9,146.40	£9,146.40	£9,146.40
Running Costs	£5,203.34	£5,463.50	£5,736.68	£6,023.51	£6,324.69
Net Cashflow	£3,701.35	£4,343.74	£5,018.25	£5,726.48	£6,470.12
Culmulative	£22,771.86	£27,115.60	£32,133.85	£37,860.33	£44,330.45