

Old House, Shenfield Rd, Brentwood

Overview of viability assessment Current Proposal

Current Proposal

Pre conversion value as a result of bids received ¹	£ 700,000
Market value of Unit 1 ²	£ 300,000
Market value of Unit 2	£ 250,000
Market value of Unit 3	£ 225,000
Market value of Unit 4	£ 250,000
Market value of Unit 5	£ 350,000
Market value of Unit 6	£ 285,000

Post conversion value Approx **£ 1,660,000**

Conversion cost of 6 flats Approx	£ 900,000
Professional fees Included (15%)	£ 135,000
Contingency sum Approx (5%)	£ 45,000
	<u>£ 1,080,000</u>

Preconversion Value	£ 700,000
Cost of refurbishment	£ 1,080,000
	<u>£ 1,780,000</u>

Loss on Pre/Post value -£ 120,000

Current Proposal - Income

Anticipated Yearly Rental Income Approx ³	
Unit 1 - 2 Bedroom	£ 14,400
Unit 2 - 1 Bedroom	£ 11,940
Unit 3 - 1 Bedroom	£ 11,400
Unit 4 - 2 Bedroom	£ 13,800
Unit 5 - 2 Bedroom	£ 15,000
Unit 6 - 2 Bedroom	£ 13,800
	<u>£ 80,340</u>

Management Costs @ 20% of income	£ 16,068
	<u>£ 16,068</u>

Net income **£ 64,272**

Return on cost/value 3.61%

¹ Best unconditional offer recieved

² Beresfords Valuation on 19/11/14

³ Beresfords Valuation on 01/12/14