

APPENDIX 1 – COUNCIL HOUSING NEW BUILD MODEL ASSUMPTIONS

JUNE 2010

Name	Development Management Fees/Unit	Prof. Fees	Operational Management Costs/Unit	Repairs and Maintenance	Major repairs (5 year cycle)
KWS Round 2	500	19.00%	1,200	800	5500
Goresbrook Compound 1	500	20.00%	1,200	800	5500
Curzon Crescent 1	500	20.00%	1,200	800	5500
Roycraft Avenue 1	500	20.00%	1,200	800	5500
Alderman Avenue 1	500	20.00%	1,200	800	5500
Maplestead 1	500	20.00%	1,200	800	5500
Alfred Gardens 1	500	20.00%	1,200	800	5500
Thornhill Gardens 1	500	20.00%	1,200	800	5500
Block D	500	20.00%	1,200	800	5500
Wivenhoe Road 1	500	20.00%	1,200	800	5500
KWS Phase 1	500	20.00%	1,200	800	5500
Essex Road	500	20.00%	1,200	800	5500
Rogers Road	500	20.00%	1,200	800	5500
Bromhall Road	500	20.00%	1,200	800	5500
Highland Avenue	500	20.00%	1,200	800	5500
Charlton Cres 1	500	20.00%	1,200	800	5500
Charlton Cres 2	500	20.00%	1,200	800	5500
Beamway	500	20.00%	1,200	800	5500
Rogers Road et al	500	20.00%	1,200	800	5500

Prudential Borrowing interest rate: 4.5%

Index	Rate
Costs	2.50%
Rents	3.00%

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Development	Unit type	Number of units	Occupants	GIA	Annual rent	Grant per unit	Construction costs
Goresbrook Compound 1	3 Bed House	40	5	94	5,854	97,000	5,640,000
Curzon Crescent 1	4 Bed House	7	6	108	5,612	117,285	1,189,944
Roycraft Avenue 1	3 Bed House	2	5	94	5,378	99,419	295,912
Roycraft Avenue 1	4 Bed House	4	6	108	5,612	99,419	679,968
Alderman Avenue 1	2 Bed House	2	4	78	4,940	100,250	245,544
Alderman Avenue 1	3 Bed House	3	5	94	5,393	100,250	443,868
Alderman Avenue 1	4 Bed House	3	6	108	6,062	100,250	509,976
Maplestead 1	3 Bed House	8	5	94	5,834	91,495	1,007,680
Maplestead 1	4 Bed House	2	6	111	6,367	91,495	297,480
Alfred Gardens 1	3 Bed House	3	5	94	5,834	93,304	377,880
Thornhill Gardens 1	3 Bed House	2	5	94	5,834	95,833	251,920
Thornhill Gardens 1	4 Bed House	2	6	111	6,367	95,833	297,480
KWS Phase 1	3 Bed House	17	5	96	6,060	130,453	2,547,552
KWS Phase 1	4 Bed House	14	7	116	6,566	130,453	2,535,064
Rogers Road et al	3 Bed House	9	5	94	5,782	91,215	1,138,716
Rogers Road et al	4 Bed House	9	6	111	6,124	109,458	1,344,654
Charlton Cres 1	4 Bed House	4	6	108	6,062	104,948	814,320
Charlton Cres 2	2 Bed House	2	4	78	4,889	61,092	216,060
Charlton Cres 2	4 Bed House	4	6	108	6,062	91,638	598,320
Beamway	3 Bed House	5	5	94	5,834	90,014	625,100

	Net present value (£m)
Base case (assumptions above)	£6.2m
Base case with rental income at inflation	£3.5m
Base case with interest rates 5.5%	£4.4m