

Option 4: Build on land by ASDA, Hatherley Lane

Financing based on £7.25m PWLB annuity loan over 20 years PLUS £2.5m capital receipts

Years	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
A. Cashflow - at current pay and price levels (2015/16)																						
Purchase price	9,750,000																					9,750,000
PWLB Loan	-7,250,000																					-7,250,000
Principal repayments	142,133	289,426	296,443	303,630	310,992	318,532	326,255	334,165	342,267	350,565	359,064	367,770	376,687	385,820	395,174	404,755	414,568	424,620	434,914	445,459	226,763	7,250,000
Interest repayments	87,363	169,566	162,549	155,362	148,000	140,460	132,737	124,827	116,725	108,427	99,927	91,222	82,305	73,172	63,818	54,237	44,424	34,372	24,077	13,533	2,735	1,929,840
Relocation costs		70,000																				70,000
Additional move costs - IT Upgrades		40,000																				40,000
Furniture and Fittings		150,000																				150,000
Council Chamber / Committee Suite fit-out		100,000																				100,000
MO Annual Occupational Costs (SAVING)			-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-388,500	-7,381,500
Rental stream from vacated Municipal Offices site						-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-175,000	-2,800,000
Rental stream from tenants			-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-65,000	-1,300,000
Business Rates			175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	3,325,000
Business Rates levied on tenants			-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-475,000
Annual Occupational Costs (inc.maintenance, utilities and insurance)			250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	4,750,000
Service charges from tenants			-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-30,000	-570,000
Programmed Maintenance																						0
Cashflow	2,729,496	818,992	375,492	375,492	375,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	7,653,340
INTERNAL FINANCING																						
Capital Receipts	2,500,000																					2,500,000
Impact on Medium Term Strategy	229,496	818,992	375,492	375,492	375,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	5,153,340
Property R&R Reserve		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	2,000,000
Dedicated Building Reserve		-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-2,000,000
Total	2,729,496	818,992	375,492	375,492	375,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	200,492	7,653,340
B. Net Present Value including inflationary increases																						
Discount rate	5%																					
Present value of £1	1	0.95238095	0.9070295	0.8638376	0.8227025	0.7835262	0.7462154	0.71068133	0.6768394	0.6446089	0.61391325	0.584679289	0.55683742	0.5303214	0.505068	0.4810171	0.4581115	0.4362967	0.4155207	0.395734	0.376889	Totals
Purchase price	9,750,000																					9,750,000
PWLB Loan	-7,250,000																					-7,250,000
Principal repayments	142,133	289,426	296,443	303,630	310,992	318,532	326,255	334,165	342,267	350,565	359,064	367,770	376,687	385,820	395,174	404,755	414,568	424,620	434,914	445,459	226,763	7,250,000
Interest repayments	87,363	169,566	162,549	155,362	148,000	140,460	132,737	124,827	116,725	108,427	99,927	91,222	82,305	73,172	63,818	54,237	44,424	34,372	24,077	13,533	2,735	1,929,840
Relocation costs		71,400																				71,400
Additional move costs - IT Upgrades		41,600																				41,600
Furniture and Fittings		153,000																				153,000
Council Chamber / Committee Suite fit-out		104,000																				104,000
MO Annual Occupational Costs (SAVING)			-400,713	-411,313	-417,729	-424,274	-430,949	-442,283	-449,228	-456,740	-468,084	-475,899	-483,870	-495,868	-504,161	-512,620	-525,309	-534,110	-543,087	-556,273	-565,771	-9,098,281
Rental stream from vacated Municipal Offices site						-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-193,214	-3,541,424
Rental stream from Tenants			-75,000	-75,000	-75,000	-75,000	-75,000	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000	-85,000	-85,000	-85,000	-85,000	-85,000	-90,000	-90,000	-90,000	-1,560,000
Business Rates			182,070	185,711	189,426	193,214	197,078	201,020	205,040	209,141	213,324	217,591	221,942	226,381	230,909	235,527	240,237	245,042	249,943	254,942	260,041	4,158,581
Business Rates levied on tenants			-27,061	-28,154	-29,291	-30,475	-31,706	-32,987	-34,320	-35,706	-37,149	-38,649	-40,211	-41,835	-43,526	-45,284	-47,114	-49,017	-50,997	-53,057	-55,201	-751,740
Annual Occupational Costs (inc.maintenance, utilities and insurance)			260,100	265,302	270,608	276,020	281,541	287,171	292,915	298,773	304,749	310,844	317,060	323,402	329,870	336,467	343,196	350,060	357,062	364,203	371,487	5,940,829
Service charges from tenants			-31,212	-31,836	-32,473	-33,122	-33,785	-34,461	-35,150	-35,853	-36,570	-37,301	-38,047	-38,808	-39,584	-40,376	-41,184	-42,007	-42,847	-43,704	-44,578	-712,900
Programmed Maintenance																						0
Total	2,729,496	828,992	367,176	363,702	364,532	172,141	172,957	164,239	165,036	165,393	137,048	137,362	132,652	129,049	129,285	104,491	100,606	95,746	95,851	91,888	-162,738	6,484,904
PV	2,729,496	789,516	333,040	314,179	299,901	134,877	129,063	116,721	111,703	106,614	84,136	80,313	73,866	68,438	65,298	50,262	46,089	41,774	39,828	36,363	-61,334	5,590,141

(1) Rental stream from vacated Municipal Offices site

Year 5 -cash flow -current prices net rent £175,000
 Year 5 - Assumed inflation at 2% year 5, with rent reviews increasing net rent by £25k every 5 years

(2) Rental stream from tenants

Year 2 - Assumed net rent of £15 per square foot, with 5 year rent reviews
 Year 7 - Assumed net rent review to £16 per square foot
 Year 17 - Assumed £17 per square foot