

Option 1

project cost

£209,671.00

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on increased rental levels

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£15,360	£0	£1,200	£10,484		
1	£15,360	£0	£1,200	£10,484	£3,676	
2	£15,821	£0	£1,224	£10,484	£4,113	£7,790
3	£16,295	£0	£1,248	£10,484	£4,563	£12,353
4	£16,784	£0	£1,273	£10,484	£5,027	£17,380
5	£17,288	£0	£1,299	£10,484	£5,505	£22,886
6	£17,806	£0	£1,325	£10,484	£5,998	£28,884
7	£18,341	£0	£1,351	£10,484	£6,506	£35,389
8	£18,891	£0	£1,378	£10,484	£7,029	£42,418
9	£19,458	£0	£1,406	£10,484	£7,568	£49,986
10	£20,041	£0	£1,434	£10,484	£8,124	£58,110
11	£20,643	£0	£1,463	£10,484	£8,696	£66,806
12	£21,262	£0	£1,492	£10,484	£9,286	£76,092
13	£21,900	£0	£1,522	£10,484	£9,894	£85,987
14	£22,557	£0	£1,552	£10,484	£10,521	£96,508
15	£23,233	£0	£1,583	£10,484	£11,166	£107,674
16	£23,930	£0	£1,615	£10,484	£11,832	£119,506
17	£24,648	£0	£1,647	£10,484	£12,517	£132,023
18	£25,388	£0	£1,680	£10,484	£13,224	£145,247
19	£26,149	£0	£1,714	£10,484	£13,952	£159,199
20	£26,934	£0	£1,748	£10,484	£14,702	£173,901
21	£27,742	£0	£1,783	£10,484	£15,475	£189,376
22	£28,574	£0	£1,819	£10,484	£16,272	£205,648
23	£29,431	£0	£1,855	£10,484	£17,093	£222,741
24	£30,314	£0	£1,892	£10,484	£17,938	£240,679
25	£31,224	£0	£1,930	£10,484	£18,810	£259,489

Sub Total £	560,014.30	0.00	38,436.36	262,088.75	259,489.19	
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Option 1a

£209,671.00

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on current 2021 rental levels

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£6,528					
1	£6,528	£0	£1,200	£10,484	-£5,156	
2	£6,724	£0	£1,224	£10,484	-£4,984	-£10,140
3	£6,926	£0	£1,248	£10,484	-£4,807	-£14,947
4	£7,133	£0	£1,273	£10,484	-£4,624	-£19,571
5	£7,347	£0	£1,299	£10,484	-£4,436	-£24,007
6	£7,568	£0	£1,325	£10,484	-£4,241	-£28,248
7	£7,795	£0	£1,351	£10,484	-£4,041	-£32,289
8	£8,029	£0	£1,378	£10,484	-£3,834	-£36,122
9	£8,269	£0	£1,406	£10,484	-£3,621	-£39,743
10	£8,518	£0	£1,434	£10,484	-£3,401	-£43,143
11	£8,773	£0	£1,463	£10,484	-£3,174	-£46,317
12	£9,036	£0	£1,492	£10,484	-£2,940	-£49,257
13	£9,307	£0	£1,522	£10,484	-£2,699	-£51,955
14	£9,587	£0	£1,552	£10,484	-£2,450	-£54,405
15	£9,874	£0	£1,583	£10,484	-£2,193	-£56,598
16	£10,170	£0	£1,615	£10,484	-£1,929	-£58,527
17	£10,476	£0	£1,647	£10,484	-£1,656	-£60,183
18	£10,790	£0	£1,680	£10,484	-£1,375	-£61,557
19	£11,113	£0	£1,714	£10,484	-£1,084	-£62,642
20	£11,447	£0	£1,748	£10,484	-£785	-£63,427
21	£11,790	£0	£1,783	£10,484	-£477	-£63,904
22	£12,144	£0	£1,819	£10,484	-£159	-£64,063
23	£12,508	£0	£1,855	£10,484	£169	-£63,894
24	£12,884	£0	£1,892	£10,484	£507	-£63,386

25	£13,270	£0	£1,930	£10,484	£856	-£62,530
26	£13,668	£0	£1,969	£0	£11,699	-£50,831
27	£14,078	£0	£2,008	£0	£12,070	-£38,761
28	£14,501	£0	£2,048	£0	£12,452	-£26,308
29	£14,936	£0	£2,089	£0	£12,846	-£13,462
30	£15,384	£0	£2,131	£0	£13,253	-£209
31	£15,845	£0	£2,174	£0	£13,672	£13,462
25 yr sub total	£310,572.31	£0.00	£48,681.70	£262,100.00	-£209.38	
31 yr sub total	£326,417.48	£0.00	£50,855.33	£262,100.00	£13,462.15	

Option 2

project cost

£40,299.00

Option 2

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased rent level

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£9,600					
1	£9,600		£750	£2,015	£6,835	
2	£9,888		£765	£2,015	£7,108	£13,943
3	£10,185		£780	£2,015	£7,389	£21,332
4	£10,490		£796	£2,015	£7,679	£29,012
5	£10,805		£812	£2,015	£7,978	£36,990
6	£11,129		£828	£2,015	£8,286	£45,276
7	£11,463		£845	£2,015	£8,603	£53,879
8	£11,807		£862	£2,015	£8,930	£62,809
9	£12,161		£879	£2,015	£9,267	£72,077
10	£12,526		£896	£2,015	£9,615	£81,691
11	£12,902		£914	£2,015	£9,972	£91,664
12	£13,289		£933	£2,015	£10,341	£102,005
13	£13,687		£951	£2,015	£10,721	£112,726
14	£14,098		£970	£2,015	£11,113	£123,839
15	£14,521		£990	£2,015	£11,516	£135,355
16	£14,956		£1,009	£2,015	£11,932	£147,287
17	£15,405		£1,030	£2,015	£12,361	£159,648
18	£15,867		£1,050	£2,015	£12,802	£172,450
19	£16,343		£1,071	£2,015	£13,257	£185,707
20	£16,834		£1,093	£2,015	£13,726	£199,433
21	£17,339		£1,114	£2,015	£14,209	£213,642

22	£17,859		£1,137	£2,015	£14,707	£228,350
23	£18,395		£1,159	£2,015	£15,220	£243,570
24	£18,946		£1,183	£2,015	£15,749	£259,318
25	£19,515		£1,206	£2,015	£16,294	£275,612
sub total £	£350,008.94	£0.00	£24,022.72	£50,374.25	£275,611.96	

Option 2a
project cost

£40,299.00

Option 2a

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at 2021 rent level

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£5,280					
1	£5,280		£750	£2,015	£2,515	
2	£5,438		£765	£2,015	£2,658	£5,173
3	£5,602		£780	£2,015	£2,806	£7,980
4	£5,770		£796	£2,015	£2,959	£10,938
5	£5,943		£812	£2,015	£3,116	£14,054
6	£6,121		£828	£2,015	£3,278	£17,332
7	£6,305		£845	£2,015	£3,445	£20,777
8	£6,494		£862	£2,015	£3,617	£24,395
9	£6,689		£879	£2,015	£3,795	£28,189
10	£6,889		£896	£2,015	£3,978	£32,167
11	£7,096		£914	£2,015	£4,167	£36,334
12	£7,309		£933	£2,015	£4,361	£40,695
13	£7,528		£951	£2,015	£4,562	£45,257
14	£7,754		£970	£2,015	£4,769	£50,026
15	£7,986		£990	£2,015	£4,982	£55,008
16	£8,226		£1,009	£2,015	£5,202	£60,209
17	£8,473		£1,030	£2,015	£5,428	£65,638
18	£8,727		£1,050	£2,015	£5,662	£71,300
19	£8,989		£1,071	£2,015	£5,903	£77,202
20	£9,259		£1,093	£2,015	£6,151	£83,353
21	£9,536		£1,114	£2,015	£6,407	£89,760

22	£9,822		£1,137	£2,015	£6,671	£96,431
23	£10,117		£1,159	£2,015	£6,943	£103,373
24	£10,421		£1,183	£2,015	£7,223	£110,596
25	£10,733		£1,206	£2,015	£7,512	£118,108
sub total £	£192,504.92	£0.00	£24,022.72	£50,374.25	£118,107.94	

River Road Garages, Arundel, West Sussex.

Option cost / income analysis

Option 3

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years).

Item	cost
Demolish Garages and cart away	£3,510
Eerect 8 No new traditional build garages	£156,000
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000
Tarmac remaining site areas	£16,500
External landscaping	£2,600
contingency 10%	£19,061
Option total	£209,671
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Option 3 - Dispose of garage via leasehold 25 years - 8 garages @ £50,000	£400,000
Disposal fees & legal costs (£1650 x 8)	£13,200
Projected profit = Capital receipt(£400,000), less Option total (£209,671) less 12 months finance (£10,483.55) less disposal & legal fees	£166,645

River Road Garages, Arundel, West Sussex.

Option cost / income analysis

Option 3a

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years).

Item	cost
Demolish Garages and cart away	£3,510
Eerect 8 No new traditional build garages	£156,000
Ready prepare electrical infrastructure to allow future EV charging point install to garages.	£12,000
Tarmac remaining site areas	£16,500
External landscaping	£2,600
contingency 10%	£19,061
Option total	£209,671
Minimum Revenue Provision (in accordance with finance recommendations with the report)	£8,386.84
Loss of interest (in accordance with finance recommendations with the report)	£2,096.71
Option 3 - Dispose of garage via leasehold 25 years - 8 garages @ £35,000	£280,000
Disposal fees & legal costs (£1650 x 8)	£13,200
Projected profit = Capital receipt(£280,000), less Option total (£209,671) less 12 months finance (£10,483.55) less disposal & legal fees (£13,200) =	£46,645

Option 4

Straightforward Freehold disposal no information included

Option 5
project cost

based on 28% fees

£458,625.00

Option 5

Demolish existing garages and construct 4 bedroom detached dwelling as managed Holiday let.

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£110,230	£30,864	£5,000	£22,931		
1	£110,230	£30,864	£5,000	£22,931	£51,435	
2	£113,537	£31,790	£5,100	£22,931	£53,716	£105,150
3	£116,943	£32,744	£5,202	£22,931	£56,066	£161,216
4	£120,451	£33,726	£5,306	£22,931	£58,488	£219,704
5	£124,065	£34,738	£5,412	£22,931	£60,984	£280,688
6	£127,787	£35,780	£5,520	£22,931	£63,555	£344,243
7	£131,620	£36,854	£5,631	£22,931	£66,205	£410,447
8	£135,569	£37,959	£5,743	£22,931	£68,935	£479,383
9	£139,636	£39,098	£5,858	£22,931	£71,749	£551,131
10	£143,825	£40,271	£5,975	£22,931	£74,648	£625,779
11	£148,140	£41,479	£6,095	£22,931	£77,635	£703,414
12	£152,584	£42,724	£6,217	£22,931	£80,713	£784,126
13	£157,162	£44,005	£6,341	£22,931	£83,884	£868,011
14	£161,876	£45,325	£6,468	£22,931	£87,152	£955,163
15	£166,733	£46,685	£6,597	£22,931	£90,519	£1,045,682
16	£171,735	£48,086	£6,729	£22,931	£93,989	£1,139,671
17	£176,887	£49,528	£6,864	£22,931	£97,564	£1,237,234
18	£182,193	£51,014	£7,001	£22,931	£101,247	£1,338,481
19	£187,659	£52,545	£7,141	£22,931	£105,042	£1,443,524
20	£193,289	£54,121	£7,284	£22,931	£108,953	£1,552,477
21	£199,088	£55,745	£7,430	£22,931	£112,982	£1,665,459
22	£205,060	£57,417	£7,578	£22,931	£117,134	£1,782,593
23	£211,212	£59,139	£7,730	£22,931	£121,412	£1,904,005

24	£217,548	£60,914	£7,884	£22,931	£125,819	£2,029,824
25	£224,075	£62,741	£8,042	£22,931	£130,361	£2,160,185
	£4,018,904.71	£1,125,293.32	£160,151.50	£573,275.00	£2,160,184.89	

Option 5a

project cost

based on 28% fees

£699,550.00

Option 5a

Demolish existing garages and construct two 2 bedroom cottage dwellings as managed Holiday lets.

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£75,920	£21,258	£9,800	£34,978		
1	£75,920	£21,258	£9,800	£34,978	£9,885	
2	£78,198	£21,895	£9,996	£34,978	£11,329	£21,214
3	£80,544	£22,552	£10,196	£34,978	£12,818	£34,032
4	£82,960	£23,229	£10,400	£34,978	£14,354	£48,385
5	£85,449	£23,926	£10,608	£34,978	£15,938	£64,323
6	£88,012	£24,643	£10,820	£34,978	£17,571	£81,894
7	£90,652	£25,383	£11,036	£34,978	£19,256	£101,150
8	£93,372	£26,144	£11,257	£34,978	£20,993	£122,143
9	£96,173	£26,928	£11,482	£34,978	£22,785	£144,928
10	£99,058	£27,736	£11,712	£34,978	£24,633	£169,561
11	£102,030	£28,568	£11,946	£34,978	£26,538	£196,099
12	£105,091	£29,425	£12,185	£34,978	£28,503	£224,602
13	£108,244	£30,308	£12,429	£34,978	£30,529	£255,131
14	£111,491	£31,218	£12,677	£34,978	£32,619	£287,750
15	£114,836	£32,154	£12,931	£34,978	£34,773	£322,523
16	£118,281	£33,119	£13,190	£34,978	£36,995	£359,519
17	£121,829	£34,112	£13,453	£34,978	£39,286	£398,805
18	£125,484	£35,136	£13,722	£34,978	£41,649	£440,454
19	£129,249	£36,190	£13,997	£34,978	£44,085	£484,538
20	£133,126	£37,275	£14,277	£34,978	£46,597	£531,135
21	£137,120	£38,394	£14,562	£34,978	£49,187	£580,322
22	£141,234	£39,545	£14,854	£34,978	£51,857	£632,179

23	£145,471	£40,732	£15,151	£34,978	£54,611	£686,789
24	£149,835	£41,954	£15,454	£34,978	£57,450	£744,239
25	£154,330	£43,212	£15,763	£34,978	£60,377	£804,616
Sub total £	£2,767,987.35	£775,036.46	£313,896.94	£874,437.50	£804,616.45	

Option 6

project cost

£405,375.00

Option 6

Demolish existing garages and construct one 4 bedroom detached dwelling house and rent on private sector basis

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£24,000	£2,400	£1,750	£20,269		
1	£24,000	£2,400	£1,750	£20,269	-£419	
2	£24,720	£2,472	£1,785	£20,269	£194	-£225
3	£25,462	£2,546	£1,821	£20,269	£826	£601
4	£26,225	£2,623	£1,857	£20,269	£1,477	£2,079
5	£27,012	£2,701	£1,894	£20,269	£2,148	£4,227
6	£27,823	£2,782	£1,932	£20,269	£2,839	£7,066
7	£28,657	£2,866	£1,971	£20,269	£3,552	£10,618
8	£29,517	£2,952	£2,010	£20,269	£4,286	£14,904
9	£30,402	£3,040	£2,050	£20,269	£5,043	£19,947
10	£31,315	£3,131	£2,091	£20,269	£5,823	£25,770
11	£32,254	£3,225	£2,133	£20,269	£6,627	£32,397
12	£33,222	£3,322	£2,176	£20,269	£7,455	£39,852
13	£34,218	£3,422	£2,219	£20,269	£8,308	£48,160
14	£35,245	£3,524	£2,264	£20,269	£9,188	£57,348
15	£36,302	£3,630	£2,309	£20,269	£10,094	£67,442
16	£37,391	£3,739	£2,355	£20,269	£11,028	£78,470
17	£38,513	£3,851	£2,402	£20,269	£11,991	£90,460
18	£39,668	£3,967	£2,450	£20,269	£12,982	£103,443
19	£40,858	£4,086	£2,499	£20,269	£14,004	£117,447
20	£42,084	£4,208	£2,549	£20,269	£15,058	£132,505
21	£43,347	£4,335	£2,600	£20,269	£16,143	£148,648
22	£44,647	£4,465	£2,652	£20,269	£17,261	£165,909

23	£45,986	£4,599	£2,705	£20,269	£18,414	£184,322
24	£47,366	£4,737	£2,760	£20,269	£19,601	£203,923
25	£48,787	£4,879	£2,815	£20,269	£20,825	£224,748
sub total £	£875,022.34	£87,502.23	£56,053.02	£506,718.75	£224,748.33	

Option 6a
project cost

£624,450.00

Option 6a

Demolish existing garages and construct two 2 bedroom cottage dwelling houses and rent on private sector basis

	Income	fees	maintenance cost	Finance / repayment	Balance	Cumulative total
base line	£24,000	£2,400	£3,500	£31,223		
1	£24,000	£2,400	£3,500	£31,223	-£13,123	
2	£24,720	£2,472	£3,570	£31,223	-£12,545	-£25,667
3	£25,462	£2,546	£3,641	£31,223	-£11,948	-£37,615
4	£26,225	£2,623	£3,714	£31,223	-£11,334	-£48,949
5	£27,012	£2,701	£3,789	£31,223	-£10,700	-£59,649
6	£27,823	£2,782	£3,864	£31,223	-£10,046	-£69,696
7	£28,657	£2,866	£3,942	£31,223	-£9,373	-£79,068
8	£29,517	£2,952	£4,020	£31,223	-£8,678	-£87,746
9	£30,402	£3,040	£4,101	£31,223	-£7,961	-£95,707
10	£31,315	£3,131	£4,183	£31,223	-£7,222	-£102,929
11	£32,254	£3,225	£4,266	£31,223	-£6,460	-£109,390
12	£33,222	£3,322	£4,352	£31,223	-£5,675	-£115,064
13	£34,218	£3,422	£4,439	£31,223	-£4,865	-£119,929
14	£35,245	£3,524	£4,528	£31,223	-£4,030	-£123,959
15	£36,302	£3,630	£4,618	£31,223	-£3,169	-£127,128
16	£37,391	£3,739	£4,711	£31,223	-£2,281	-£129,409
17	£38,513	£3,851	£4,805	£31,223	-£1,366	-£130,774
18	£39,668	£3,967	£4,901	£31,223	-£422	-£131,196
19	£40,858	£4,086	£4,999	£31,223	£551	-£130,645
20	£42,084	£4,208	£5,099	£31,223	£1,554	-£129,091
21	£43,347	£4,335	£5,201	£31,223	£2,589	-£126,502
22	£44,647	£4,465	£5,305	£31,223	£3,655	-£122,847

23	£45,986	£4,599	£5,411	£31,223	£4,754	-£118,093
24	£47,366	£4,737	£5,519	£31,223	£5,888	-£112,205
25	£48,787	£4,879	£5,630	£31,223	£7,056	-£105,148
26	£50,251	£5,025	£5,742		£39,483	-£65,665
27	£51,758	£5,176	£5,857		£40,725	-£24,940
28	£53,311	£5,331	£5,974		£42,006	£17,066
Yr 25 sub total £	£875,022.34	£87,502.23	£112,106.05	£780,562.50	£17,066.19	

Appendix 2 - River Road Arundel - Viability Options financials.

Option 1

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages on increased rental levels

Option 1a

Demolish existing garages and reconstruct new garages (8 No.) - Lease out garages maintain current 2021 rental levels

Option 2

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces at increased rent level

Option 2a

Demolish existing garages and tarmac site and line paint to provide 10 external parking spaces. Lease out car parking spaces maintain current 2021 rental levels

Option 3

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for £50K).

Option 3a

Demolish existing garages and rebuild 8 garages and retarmac and landscape area and dispose of via leasehold (25 years for 35K).

Option 4

Freehold disposal of site for development (unconditional terms)

Option 5

Construct and Manage Holiday Let - 1 No 4 bed dwelling

Option 5 a

Construct and Manage Holiday Let - two No 2 bed cottages

Option 6

Demolish existing garages and construct one 4 bedroom detached dwelling house and rent on private sector basis

Option 6a

Demolish existing garages and construct two 2 bedroom cottage dwelling houses and rent on private sector basis

Option 1, 2, 3, & 4

Options taken forward to main body of report

Option 1a, 2a, 3a, 5a,6 & 6a

Previous options presented (updated) but disregarded in the report.

Option 5

Option recommended for acceptance in main report.

	Option 1	Option 1a	Option 2	Option 2a	Option 3	Option 3a	Option 4	Option 5	Option 5a	Option 6	Option 6a
Investment Required	£209,671	£209,671	£40,299	£40,299	£209,671	£209,761	£nil	£458,625	£699,550	£405,375	£624,450
Projected first year annual revenue allowing for void periods. (not excluding costs)	£15,360	£6,528	£9,600	£5,280	n/a	n/a	£nil	£110,230	£75,920	£24,000	£24,000
Projected income over 25 years assuming 3% increase per year allowing for void periods	£560,014	£238,006	£350,009	£192,505	n/a	n/a	£nil	£4,018,905	£2,767,987	£875,022	£875,022
Total profit (over 25 years for option 1,1a,2,2a,5,5a,6 &6a or on disposal for option 3,3a & 4)	£259,489	-£62,530	£275,612	£118,108	£166,645	£46,645	£287,000	£2,160,186	£804,616	£224,748	£17,066
Leasehold / Freehold disposal capital	n/a	n/a	n/a	n/a	£400,000	£280,000	£300,000	n/a	n/a	n/a	n/a
Disposal costs & legal fees (to be deducted from capital receipt)	n/a		n/a	n/a	£13,200	£13,200	£13,000	n/a	n/a	n/a	n/a
% yield on Investment (over 25 years or on disposal)	124		684	293	79	22	n/a	471	115	55	3

Note: Option 4 is based on an uncondition offer for freehold disposal of the site that the Council received following a soft