

AYLESBURY WOLVERTON LEASEHOLDERS

SUMMARY NOTE

L&Q and London Borough of Southwark have developed a bespoke leaseholder ownership product to enable a group of leaseholders currently living at Wolverton to purchase new shared ownership homes in a number of L&Q schemes in the south east.

This summary note sets out the key features of the product, the base assumptions used in developing the modelling and the level of subsidy required to enable leaseholders to take up the product.s

It is agreed that L&Q will provide the first £100k of subsidy with the council providing up to a further £100k of subsidy as an adjustment to the premium payable for Site 7 Aylesbury. Each offer to individual leaseholders to be agreed by both L&Q and the council.

Key features of the product

- Lease based product
- Nil rent on unsold share
- No rights of re assignment/ transfer unless leaseholder invests a minimum of 75% of the value of the property
- Distribution of capital value uplift between L&Q/ leaseholder as follows
 - 1 bed: leaseholder receives a percentage of the capital value uplift proportionate to their equity stake in the property (i.e. they invest 69% of the total value of the property; at point of resale they are entitled to 69% of the value uplift on their initial investment of 69%)
 - 2 beds: leaseholder is not entitled to any of the capital value uplift; L&Q entitled to 100% of the uplift in value

L&Q Base assumptions

- Rent inflation = (RPI + 0.5%) where RPI is assumed to be 2.5% for the life of the product
- House Price Inflation = (RPI + 0.5%) where RPI is assumed to be 2.5% for the life of the product
- We assume 100% of the remaining tranche is staircased in year 26
- Discount Rate = 7%

Examples of level of subsidy required

Subsidy requirements per unit based on the leaseholder investments shown are listed in Table 1 There is no option of converting outright sale properties to shared ownership.

Table 2 sets out the properties available.

Table 1: Subsidy required per unit

Leaseholder Address (Wolverton)	No of bedrooms	Valuation of L&Q property (E)	Leaseholder investement(£)	Equity stake	Capital uplift entitlement (YIN)	Share of capital uplift (%)	Subsidy required (£)	Notes
	The state of the s					ter and a section of the section of	Open description of a subdifferent specific for supplying Engineers	Appendix to the control of the designation of the control of the c
2	the expectation or properties of the state o	£ 195,000.00	£ 132,500.00	68%	Yes	68%	£ 6,501.00	external response to the second of the secon
1 1		£ 180,000.00	£ 142,500.00	79%	Yes	79%		The offer is for Silumon autom
13		£ 195,000.00	£ 127,500.00	65%	Yes	65%	£ 9,878,00	- version of the control of the cont
17	2	£ 250,000.00	£ 132,500.00	53%	No	0%	£ 17,604.00	And the state of t
20		£ 195,000.00	£ 131,000.00	67%	Yes	67%	£ 7,619.00	The second section of the second section is a second section of the second section sec
21	-	£ 195,000.00	£ 140,000.00	72%	Yes	72%	£ 2,100.00	manufactor and before the second approximating the second
24	2	£ 250,000.00	£ 140,000.00	56%	N _O	2%0	£ 11,396,00	The second section of the second section of the second section of the second section s
36	.	£ 195,000,00	00 000 38				and other than the state of the	A CONTRACTOR OF THE CONTRACTOR

The state of the s	THE R. LEWIS CO., LANSING, MICH. LANSING, LANSIN	The second secon		_	
36 1 £	195,000.00	£ 85,000.00		44% £ 35,370.00	
Table 2: Available properties					1
Developmen)	en l'artigle de l'élègrape de l'artigle de la partigle de la parti		The communication of programme and communication and the communication of the communication o	The state of the s	ı
Cavaiopinieni		One bedroom units	ts	Two bedroom units	
Ruskin Walk. Walworth	THE STATE AND A STATE OF THE ST	4	тивального, во нефективности феверал стваную и спорода, постоя дологор стактуру стактурувания постоя предметования	8	; ; ; ;
Silwood, Bermondsey		Tbc	o de la complementamente de la completa de la comp	The	
	menterer or ambiente control and control designations and the second men	THE SECTION OF THE PROPERTY OF	O Militaria anno de maria de la composición del composición de la composición de la composición de la composición del composición de la composición del composición del composición del composición del composició		
Naveriscourrie, Chisienurst		tbc		Tbc	
e de la company de seguindament in mande des mande de seguindament de la company de la company de seguindament	Andrews and production of security and the second security and the second	The state of the s	deletera poete en en estado dos desparos escolos percentadas e o coloros. En electros en esplicações da desparos de desparos d	To the proportion of the propo	Ne. /

