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**Date:** 5 September 2013 13:26:07 GMT+01:00  
**To:** gil mutch <[gilmutch@mac.com](mailto:gilmutch@mac.com)>  
**Subject:** Aylesbury - Burgess Terrace initial offer discussion

Hi Gil

Thank you for meeting me earlier today.

As discussed we are having conversations with L&Q regarding the offer and the below is the initial offer. This is not in any way a final offer and is purely for us to have an initial discussion.

L&Q are proposing to offer you a 2-bed property with a market value of £300,000. The offer is based on an equity contribution of 35% which is the £105,000 guide price for your existing home. You will have the opportunity to buy further shares until you own the property outright. This offer is model without your homeloss payment therefore this would be retained by you however we can look at an offer including this.

Note the guide price is what the Council is estimating your property to have changed in value to following the initial valuation undertaken a while back.

#### Equity share

The equity shares would be as follows:

- Your share: 35%
- L&Q share: 65%

#### Unowned share

The unowned share is valued at £195,000.

As you are currently living in a 1-bed flat and the new property is a 2-bed, the offer would require you pay rent on the difference between the value of these property types. A 1-bed flat is currently £250,000 therefore you would be required to pay rent on £50,000.

There would be no charge on the remaining £145,000.

#### Rental payments

Rent would be paid on the £50,000 at a rate of 2.75% which is equal to ca. £26.44 per week.

#### Capital uplift

The offer includes an capital uplift on the equity share you own, this uplift is only on 35% of the share you own i.e.  $£105,000 \times 35\% = £36,750$ .

### Other costs

The ground rent would be £100 per annum.

The service charge would be £233 per month. As discussed I will be having a conversation with L&Q to clarify this amount as it does appear higher than expected and I do appreciate that it is double what you currently pay.

### Next steps

I will be in touch once I've had a discussion with L&Q and the Council regarding this initial offer to discuss the points we mentioned in our meeting, which include:

- Valuation offer on your existing property
- Capital uplift offer
- Service charge
- The size of your property being approx. 900ft<sup>2</sup> 1-bed flat, and therefore the reason for needing a 2-bed flat.
- Offer with and without homeloss included in equity share paid.

If there is any other questions you have at this stage please do not hesitate to contact me on my mobile or by email.

Unfortunately I won't be able to pick up my emails until early next week therefore best to ring my mobile if you need to speak to me urgently.

Kind regards  
Michelle

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