SALFORD UNIVERSITY BUSINESS PARK - PROJECTED INCOME AND EXPENDITURE

BEST CASE SCENARIO (10% VOIDS)

Year	Expenditure				Income	Net
	Capital Financing £000s	Mgt £000s	Mntnce £000s	Total £000s	Rents £000s	Income/ (Exp) £000s
1	431	50	8	489	566	77
2	431	51	8	490	566	76
3	431	53	8	492	566	74
4	431	54	8	493	572	79
5	431	55	8	494	577	83
6	431	57	8	496	583	87
7	431	58	8	497	589	92
8	431	59	8	499	595	96
9	431	61	8	500	601	100
10	431	62	9	502	607	105
11	431	64	9	504	613	109
12	431	66	9	505	619	114
13	431	67	9	507	625	118
14	431	69	9	509	631	123
15	431	71	9	511	638	127
16	431	72	9	513	644	132
17	431	74	9	514	651	136
18	431	76	9	516	657	141
19	431	78	9	518	664	145
20	431	80	9	520	670	150
21	431	82	10	523	677	155
22	431	84	10	525	684	159
23	431	86	10	527	691	164
24	431	88	10	529	698	168
25	431	90	10	531	705	173

MID CASE SCENARIO (15% VOIDS)

Year	Expenditure				Income	Net
	Capital Financing £000s	Mgt £000s	Mntnce £000s	Total £000s	Rents £000s	Income/ (Exp) £000s
1	431	50	11	492	534	42
2	431	51	11	493	534	41
3	431	53	11	495	534	39
4	431	54	11	496	539	43
5	431	55	11	497	545	47
6	431	57	11	499	550	51
7	431	58	11	500	556	55
8	431	59	12	502	561	59
9	431	61	12	504	567	63
10	431	62	12	505	573	67
11	431	64	12	507	578	71
12	431	66	12	509	584	75
13	431	67	12	510	590	79
14	431	69	12	512	596	84
15	431	71	12	514	602	88
16	431	72	13	516	608	92
17	431	74	13	518	614	96
18	431	76	13	520	620	100
19	431	78	13	522	626	104
20	431	80	13	524	632	108
21	431	82	13	526	639	113
22	431	84	13	528	645	117
23	431	86	13	531	652	121
24	431	88	14	533	658	125
25	431	90	14	535	665	130

WORST CASE SCENARIO (24% VOIDS)

Year	Expenditure				Income	Net
	Capital Financing £000s	Mgt £000s	Mntnce £000s	Total £000s	Rents £000s	Income/ (Exp) £000s
1	431	50	18	499	478	-21
2	431	51	18	500	478	-22
3	431	53	18	502	478	-24
4	431	54	18	503	483	-20
5	431	55	18	505	488	-17
6	431	57	19	506	492	-14
7	431	58	19	508	497	-10
8	431	59	19	509	502	-7
9	431	61	19	511	507	-4
10	431	62	19	513	512	0
11	431	64	19	514	518	3
12	431	66	20	516	523	6
13	431	67	20	518	528	10
14	431	69	20	520	533	13
15	431	71	20	522	539	17
16	431	72	20	524	544	20
17	431	74	21	526	549	24
18	431	76	21	528	555	27
19	431	78	21	530	560	30
20	431	80	21	532	566	34
21	431	82	22	534	572	37
22	431	84	22	537	577	41
23	431	86	22	539	583	44
24	431	88	22	541	589	48
25	431	90	22	544	595	51

Notes : **Capital financing costs** based on use of £6.3m unsupported borrowing to fund acquisition plus costs and include an assumed interest charge of 4.65%
Management costs assume £50k per annum and will increase by 2.5% pa
Maintenance costs assume Council meets maintenance costs for all voids at relevant void rate and maintenance rental in lease agreements, and increase by 1% pa
Rents based on current rentals, nil growth assumed years 1 - 3 then 1% pa compound increase thereafter