

Meadfoot Beach Chalet Development Proposal 1 (Day Lets)

APPENDIX 2a

Construction Capital Costs

| | |
|------------------------------------|------------|
| 69 Lower Chalets @ £8,000 | 552,000.00 |
| 68 Roof Chalets @ £8,000 | 544,000.00 |
| Electricity | 87,750.00 |
| Water | 6,400.00 |
| Interior Fitting Out £250 per unit | 33,250.00 |

Sub Total: 1,223,400.00

Additional Costs

| | |
|--------------------|-----------|
| Railings and Steps | 85,000.00 |
| Rock Bolting/Pins | 75,000.00 |
| Rock Fencing | 25,000.00 |

Sub Total: 185,000.00

Contingency (10%) 147,340.00

Total Construction & Demolition Cost: 1,555,740.00

Operating Costs

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Admin Support | 4,259.84 | 4,259.84 | 4,259.84 | 4,259.84 | 4,259.84 |
| Facility Management | 9,500.00 | 9,500.00 | 9,500.00 | 9,500.00 | 9,500.00 |
| Repair and Maintenance | 3,000.00 | 3,000.00 | 3,000.00 | 5,000.00 | 5,000.00 |
| Insurance | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| National Non Domestic Rates (NNDR) | 27,000.00 | 27,000.00 | 27,000.00 | 27,000.00 | 27,000.00 |
| Prudential Borrowing @ £1,555,740 over 25 years | 104,993.00 | 104,993.00 | 104,993.00 | 104,993.00 | 104,993.00 |
| <i>Total:</i> | <i>149,752.84</i> | <i>149,752.84</i> | <i>149,752.84</i> | <i>151,752.84</i> | <i>151,752.84</i> |

Income

Based on 100% occupancy for 133 units for 52 weeks

| | Year 1 (30%) | Year 2 (20%) | Year 3 (10%) | Year 4 | Year 5 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 19 Lower Chalets @ £1300 | 24,700.00 | 24,700.00 | 24,700.00 | 24,700.00 | 24,700.00 |
| 46 Lower Chalets @ £1300 (Discounted for existing Customers) | 41,860.00 | 47,840.00 | 53,820.00 | 59,800.00 | 59,800.00 |
| 45 Roof Chalets @ £2100 | 94,500.00 | 94,500.00 | 94,500.00 | 94,500.00 | 94,500.00 |
| 23 Roof Chalets @ £2100 (Discounted for existing Customers) | 33,810.00 | 38,640.00 | 43,470.00 | 48,300.00 | 48,300.00 |
| 1 Double Commercial Unit @ £5,000 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 | 5,000.00 |
| 1 Double Beach Office/Store | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| <i>Total:</i> | <i>199,870.00</i> | <i>210,680.00</i> | <i>221,490.00</i> | <i>232,300.00</i> | <i>232,300.00</i> |
| <i>Less Bad Debt/Void (Non occupation) @ 2%</i> | <i>3,897.40</i> | <i>4,113.60</i> | <i>4,329.80</i> | <i>4,546.00</i> | <i>4,546.00</i> |
| <i>Less VAT @ 20%</i> | <i>32,662.10</i> | <i>34,427.73</i> | <i>36,193.37</i> | <i>37,959.00</i> | <i>37,959.00</i> |
| <i>Total:</i> | <i>163,310.50</i> | <i>172,138.67</i> | <i>180,966.83</i> | <i>189,795.00</i> | <i>189,795.00</i> |
| <i>Overall Total Minus Operating Costs</i> | <i>13,557.66</i> | <i>22,385.83</i> | <i>31,213.99</i> | <i>38,042.16</i> | <i>38,042.16</i> |
| <i>Loss of current net income (Appendix 2c)</i> | <i>-14,973.49</i> | <i>-12,373.49</i> | <i>-8,373.49</i> | <i>-8,373.49</i> | <i>-8,373.49</i> |
| | <u>-1,415.83</u> | <u>10,012.33</u> | <u>22,840.50</u> | <u>29,668.67</u> | <u>29,668.67</u> |

Meadfoot Beach Chalet Development Proposal 2

(Day Lets with Overnights)

APPENDIX 2b

Construction Capital Costs

| | |
|---|------------|
| 69 Lower Chalets @ £8,000 | 552,000.00 |
| 68 Roof Chalets @ £8,000 | 544,000.00 |
| Electricity - Roof Chalets | 87,750.00 |
| Drainage | 90,000.00 |
| Water | 6,400.00 |
| Fitting Out Interior @ £250 per unit | 33,250.00 |
| Fitting Out for Overnight @ £2,000 per unit | 20,000.00 |

Sub Total: 1,333,400.00

Additional Costs

| | |
|-----------------------------|-----------|
| Site Lighting for overnight | 50,000.00 |
| Railings and Steps | 85,000.00 |
| Rock Bolting/Pins | 75,000.00 |
| Rock Fencing | 25,000.00 |

Sub Total: 235,000.00

Contingency (10%) 147,340.00

Total Construction & Demolition Cost: 1,715,740.00

Operating Costs

| | Year 1 | Year 2 | Year 3 |
|--|------------|------------|------------|
| Admin Support (1 day per week) | 4,259.84 | 4,259.84 | 4,259.84 |
| Facility Management | 3,000.00 | 3,000.00 | 3,000.00 |
| Repair and Maintenance | 9,000.00 | 9,000.00 | 9,000.00 |
| On-site Supervision | 3,000.00 | 3,000.00 | 3,000.00 |
| Cleaning, Consumables etc | 6,000.00 | 6,000.00 | 6,000.00 |
| Insurance | 1,000.00 | 1,000.00 | 1,000.00 |
| National Non Domestic Rates (NNDR) | 37,000.00 | 37,000.00 | 37,000.00 |
| Repair/Replacement of internal furnishings | 2,000.00 | 2,000.00 | 2,000.00 |
| Inventory Cutlery, Pots and Pans | 3,000.00 | 3,000.00 | 3,000.00 |
| Borrowing @ £1,715,740.00 over 20 years | 131,979.49 | 131,979.49 | 131,979.49 |
| <i>Total:</i> | 200,239.33 | 200,239.33 | 200,239.33 |

Income

| | Year 1 | Year 2 (+10%) | Year 3 (+10%) |
|--|-----------|---------------|---------------|
| 19 Lower Chalets @ £1300 | 24,700.00 | 24,700.00 | 24,700.00 |
| 46 Lower Chalets @ £1300 (Discounted for existing C | 41,860.00 | 47,840.00 | 53,820.00 |
| 25 Roof Chalets @ £2100 | 52,500.00 | 52,500.00 | 52,500.00 |
| 23 Roof Chalets @ £2100 (Discounted for existing C | 33,810.00 | 38,640.00 | 43,470.00 |
| 10 Double Overnight @ £500 per wk based on 10 wks high season | 50,000.00 | 55,000.00 | 60,500.00 |
| 10 Double Overnight @ £300 per wk based on 16 wks shoulder season | 48,000.00 | 52,800.00 | 58,080.00 |
| 1 Double Commercial Unit @ £4,000 | 4,000.00 | 4,400.00 | 4,840.00 |
| 1 Double Beach Office | 0.00 | 0 | 0 |

Meadfoot Beach Chalet Development Proposal 2
 (Day Lets with Overnights)
 APPENDIX 2b

| | | | |
|--|--------------------------|--------------------------|-------------------------|
| <i>Total:</i> | 254,870.00 | 275,880.00 | 297,910.00 |
| <i>Less Bad Debt/Void (Non occupation) @ 2%</i> | 6,210.00 | 6,831.00 | 7,514.10 |
| <i>Less Marketing/Management/Booking</i> | 19,600.00 | 21560.00 | 23716.00 |
| <i>Change Over Cost</i> | 9100.00 | 10010.00 | 11011.00 |
| <i>Less VAT @ 20%</i> | 41,443.33 | 44,841.50 | 48,399.32 |
| <i>Total:</i> | 178,516.67 | 192,637.50 | 207,269.58 |
| <i>Overall Total Minus Operating Costs</i> | -21,722.66 | -7,601.83 | 7,030.25 |
| <i>Loss of current net income (Appendix 3)</i> | -14,973.49 | -12,373.49 | -8,373.49 |
| | <u>-36,696.16</u> | <u>-19,975.32</u> | <u>-1,343.24</u> |

Meadfoot Beach Chalet Development Proposal 3

(Do Nothing)

APPENDIX 2c

Construction Capital Costs

| | |
|---------------------|------|
| 46 Lower Chalets | 0.00 |
| 23 Roof Chalets | 0.00 |
| Refurbishment Costs | 0.00 |

Sub Total: 0.00

Additional Costs i.e. Railings & Steps 0.00

Sub Total: 0.00

Contingency (10%) 0.00

Total Construction & Demolition Cost: 0.00

Operating Costs

| | Year 1 | Year 2 | Year 3 |
|------------------------------------|-----------|-----------|-----------|
| Admin Support (1 day per week) | 4,259.84 | 4,259.84 | 4,259.84 |
| Facility Cleaning | 3,000.00 | 3,000.00 | 3,000.00 |
| Repair and Maintenance | 3,000.00 | 3,000.00 | 3,000.00 |
| On-site Supervision | 3,000.00 | 3,000.00 | 3,000.00 |
| Cleaning, Consumables etc | 5,000.00 | 5,000.00 | 5,000.00 |
| National Non Domestic Rates (NNDR) | 14,000.00 | 14,000.00 | 14,000.00 |

Running Cost Total: 32,259.84 32,259.84 32,259.84

Loss of Income prediction (due to unfit being unfit for purpose) 2 lower, 1 roof (2600.00) 4 lower, 2 roof (5200.00) 8 lower, 3 roof (9200.00)

Income

Based on 100% occupancy for 100 units for 52 weeks

| | Year 1 | Year 2 | Year 3 |
|--------------------------|-----------|-----------|-----------|
| 46 Lower Chalets @ £700 | 32,200.00 | 32,200.00 | 32,200.00 |
| 23 Roof Chalets @ £1,200 | 27,600.00 | 27,600.00 | 27,600.00 |

Total: 59,800.00 59,800.00 59,800.00

Less VAT @ 20% 9,966.67 9,966.67 9,966.67

Total: 49,833.33 49,833.33 49,833.33

Less Loss of Income 2,600.00 5200.00 9200.00

Total: 47,233.33 44,633.33 40,633.33

***Overall Income Less Running Costs:* 14,973.49 12,373.49 8,373.49**