

Non-Resident Leaseholders

Appendix 2

	0	1	2	3	4	5	NPV	Cost £	No of props	Total cost to TH £
5% prompt payment discount	19,000						19,000	1,000	3,764	3,764,000
One year interest free		19,048					19,048	952	3,764	3,583,328
Two years interest free		9,524	9,070				18,594	1,406	3,764	5,292,184
Three years interest free		6,349	6,047	5,759			18,155	1,845	3,764	6,944,580
Year four		4,762	4,535	4,319	4,479		18,095	1,905	3,764	7,170,420
Year five		3,810	3,628	3,455	3,583	3,431	17,889	2,111	3,764	7,945,804

Notes:

1. This table show the impact on TH income of allowing all non-resident leaseholders access to the options for one property.
2. The costs assume all leaseholders take the same option (unlikely but Three years interest free most likely).