

Fritton Lake Woodland Lodges - Example of Financial Returns on 3 Bedroom Lodge 2009

| <u>Revenue</u> | Weeks Avail | Full Weeks Booked | 3 nights Booked | 4 nights Booked | Price per week | Price 3 nights | Price 4 nights | Gross Revenue |
|------------------|-------------|-------------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
| Jan 3 - Feb 14 | 6 | | 2 | | 503 | 339 | 382 | £678 |
| Feb 14 - Feb 21 | 1 | | | 1 | 582 | 390 | 441 | £441 |
| Feb 21 - Apr 4 | 6 | | 1 | | 530 | 356 | 402 | £356 |
| Apr 4 - Apr 11 | 1 | | 1 | | 723 | 484 | 548 | £484 |
| Apr 11 - Apr 18 | 1 | | | 1 | 754 | 504 | 570 | £570 |
| Apr 18 - May 23 | 5 | 1 | 2 | 1 | 725 | 486 | 549 | £2,246 |
| May 23 - May 30 | 1 | | 1 | 1 | 858 | 573 | 649 | £1,222 |
| May 30 - June 13 | 2 | 1 | 1 | | 748 | 499 | 546 | £1,247 |
| June 13 - July 4 | 3 | 2 | 2 | | 797 | 532 | 583 | £2,658 |
| Jul 4 - July 25 | 3 | 1 | | | 892 | 595 | 674 | £892 |
| July 25 - Aug 29 | 5 | 4 | 1 | 1 | 1068 | 711 | 805 | £5,788 |
| Aug 29 - Sept 5 | 1 | | 1 | | 1068 | 711 | 805 | £711 |
| Sept 5 - Sept 26 | 3 | 1 | 2 | 1 | 753 | 504 | 570 | £2,331 |
| Sept 26 - Oct 24 | 4 | 1 | 1 | 1 | 654 | 439 | 495 | £1,588 |
| Oct 24 - Oct 31 | 1 | 1 | | | 753 | 504 | 570 | £753 |
| Oct 31 - Dec 19 | 7 | | 1 | | 576 | 387 | 438 | £387 |
| Dec 19- Jan 2 | 2 | 1 | 2 | | 844 | 563 | 639 | £1,970 |
| Total | 52 | 13 | 18 | 7 | | | | £24,322 |

Occupancy : **50% Hseasons expect this to increase in 2011**

Costs

| <u>Fixed Charges</u> | £ per annum |
|-------------------------|--------------------------|
| Site Fees | £3,835 |
| TV Licence | £30 |
| Building & Contents Ins | £500 <i>under review</i> |
| Alarm Warranty | £50 |
| Fire safety check | £50 |
| Total | £4,465 |

| <u>Letting Charges</u> | Av cost/week | Cost p.a. |
|----------------------------|----------------|----------------|
| Cleaning / Laundry | £36.53 | £1,900 |
| Electricity | £14.42 | £750 |
| Commission 30% | £152.00 | £7,904 |
| facilities fee per booking | £14.61 | £760 |
| Electric pat | £0.67 | £35 |
| Total | £218.23 | £11,349 |

Return

| <u>Gross Margin</u> | £ per annum |
|--------------------------|---------------|
| Revenue | £24,322 |
| Fixed Charges | -£4,465 |
| Letting Costs | -£11,349 |
| Return on letting | £8,508 |

| <u>Capital Value</u> | Total | Yield |
|-------------------------|----------|-------------|
| Retreat 3 Bedroom Lodge | £162,500 | 5.2% |

Please note: This case study is a guide to potential returns on your investment
None of these figures can be guaranteed.

Fritton Lake Woodland Lodge Owner's Capital & Income yield

Case Study 2010

NB.

First and foremost we at Fritton Lake want you and your family to spend many happy holidays enjoying your investment. However it is also possible to earn a reasonable annual income through letting your lodge as well as increasing the capital you invested if you choose to sell one day.

* Both the Decoy's and the Buxton's woodland lodge capital asset held or slightly increased in value despite the severe drop in real houses prices in the region. Their capital yield is neutral

Mr and Mrs Decoy paid £90,000 for their three bedroom lodge in 2004. They decided to sell because they were using the lodge less due to old age and sold it for £99,000 in May 2010

* Both families have spent many happy years enjoying their woodland lodge, Fritton Lake and the estate's many other attractions

Mr and Mrs Decoy used their lodge two weeks a year and several weekends. Their average net income has been £6500 per annum - a total of £39,000 over six years.

* The Decoy's have achieved an income yield of 7% through sub - letting their lodge for holidays

*Please note: these are real 2010 case studies with names altered for security and privacy reasons

Case Study 2010

Mr and Mrs Buxton bought their first three bedroom lodge in 2004 for £92,000 They upgraded their lodge in June 2008 funding it with £100,000 from the sale of their original lodge and paying an additional £50,000 = £150,000

Mr and Mrs Buxton retired to Spain and sold their lodge for £150,000 in June 2010. Mr and Mrs Buxton chose not to let their lodge for holidays but enjoyed sharing their lodge regularly with family and friends.