

## Appendix 2 - Key Performance Indicators

| Property Examples                        | A                        | B                                   | C  | D                                 | E              |  |
|--|--------------------------|-------------------------------------|--|-----------------------------------|----------------|--|
| Terms                                    | Single tenant FRI lease. | Multi let with S/charge management. | Retail shop on IRI lease and residential properties. | Six units, fully let, FRI leases. | Single tenant. |  |
| Type                                     | Retail                   | Retail                              | Retail & Res   | Industrial                        | Offices        |  |
| Gross Return (ignoring cost of purchase) | 6%                       | 6.8%                                | 4.74%  | 6.92%                             | 7.64%          |  |
| Capital Value                            | 800,000                  | 900,000                             | 1,000,000  | 6,500,000                         | 1,650,000      |  |
| Income pa                                | 48,000                   | 62,000                              | 47,450   | 410,000                           | 126,000        |  |
| Management Costs                         | 0                        | 5,580                               | 3570 (res only)                                      | 41,000.                           | 0              |  |
| Net Income                               | 48,000                   | 56,420                              | 43,880   | 369,000                           | 126,000        |  |
| True Return (ignoring borrowing costs)   | 6%                       | 6.27%                               | 4.39%  | 5.68%                             | 7.64%          |  |
| Decision                                 | √                        | √                                   | X  | X                                 | √              |  |

The above table shows an initial head-line appraisal of five example investments, as a quick method of comparison. This shows a positive decision for three of those.

The table below shows a set of possible performance indicators tracked through a RAG system to help measure success of the Strategy on-going and an overall health-check for the investments acquired.

| KPI  | A       | B       | E        |
|--|---------|---------|----------|
| Rate of Return                               | 6%      | 6.27%   | 7.64%    |
| Annual Income                                | £48,000 | £56,420 | £126,000 |
| % of income collected towards £200k target   | 24%     | 51%     | 113.7%   |
| Repairing costs                              | 0%      | 5%      | 0%       |
| % of rent arrears                            | 0%      | 0%      | 0%       |
| Tenancy Strength (surrenders/lease expiries) | Good    | Good    | Good     |
| Occupancy rate                               | 100%    | 100%    | 100%     |

### Key to Table



Red/Issues



Amber/Possible action



Green/Performing to plan