

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