APPENDIX II

LONDON BOROUGH OF HARROW
INVESTMENT PROPERTY STRATEGY
BUSINESS CASE FOR PROPERTY PURCHASE

1. PROPERTY NAME AND ADDRESS

2. STRATEGY OBJECTIVE

3. COMPLIANCE WITH STRATEGY OBJECTIVE – NON-FINANCIAL
   - Sector and target assets
   - Location
   - Building specification
   - Management and maintenance obligations
   - Lease arrangements
   - Quality of tenants

4. COMPLIANCE WITH STRATEGY OBJECTIVE – FINANCIAL
   (Completion of Appendix with commentary as below)
   - Purchase price
   - Estimated exit value
   - Building survey results
   - Rental income
   - Outgoings
• Estimated voids
• Cashflow
• Costs including stamp duty, legal fees, survey fees, letting costs
• Management and maintenance obligations

5. LEGAL ISSUES (to include)
• Review of title and ownership
• Liabilities and restrictions

6. RISK ASSESSMENT
• Economic and Property Market
  • Asset-specific – eg location, building quality, length of lease, financial strength of tenant, rent payable
• Environmental and regulatory
• Reputational

7. RECOMMENDATION