

**ACS 12024 Appendix 1** Proposed Grant and Loan amounts for remaining SELHP funding

(LHA based on January 2011 rates)

Number of bed rooms	Grant amounts	Loan amounts (doubled grant amounts)	Maximum offer per property
1 bed property  LHA level Jan 2011 675pcm	£1000 available for each year the owner is willing to lease the property to nominated tenants, this is for a maximum of 5 years. 1 year =£1,000 2years =£2,000 3years = £3,000 4 years= £4,000 5 years = £5,000	1 year = £2,000 2 years = £4,000 3 years = £6,000 4 years = £8,000 5 years = £10,000	1year = £3,000 2 years= £6,000 3 years=£9,000 4 years=£12,000 5 years=£15,000
2 bed property  Jan 11 LHA level £824PCM	£1300 available for each year the owner is willing to lease the property to nominated tenants, this is for a maximum of 5 years. 1 year =£1,300 2years =£2,600 3years = £3,900 4 years= £5,200 5 years = £6,500	1year = £2,600 2 years = £5,200 3 years = £7,800 4 years = £10,400 5 years = £13,000	1year= £3,900 2 years= £7,800 3 years=£11,700 4 years=£15,600 5 years=£19,500
3 bed property  Jan 11 LHA £995PCM	£1800 available for each year the owner is willing to lease the property to nominated tenants, this is for a maximum of 5 years. 1 year =£1,800 2years =£3,600 3years = £5,400 4 years= £7,200 5 years = £9,000	1year = £3,600 2 years = £7,200 3 years = £10,800 4 years = £14,400 5 years = £18,000	1year= £5,400 2 years=£10,800 3 years=£16,200 4 years=£21,600 5 years=£27,000
4 bed property  Jan 11 LHA £1300pcm	£2100 available for each year the owner is willing to lease the property to nominated tenants, this is for a maximum of 5 years. 1 year = £2,100 2years =£4,200 3years = £6,600 4 years= £8,400 5 years = £10,500	1year = £4,200 2 years = £8,200 3 years = £ 13200 4 years = £16800 5 years = £21,000	1year= £6300 2 years=£12,400 3 years=£19,800 4 years=£25,200 5 years=£31,500

In addition to the grant scheme, where an interest free loan is offered, then there will be a saving to the owner in interest as opposed to a commercial rate loan.

Example:

Interest charges for a secured loan at commercial rates assuming 6% per annum

For example a loan for a three bedroom property over three years from LBB - we could offer a maximum of £10,800 with equal monthly repayment of £300 per month

On the open market a £10,800 loan over a three year period with an interest rate of 6% would equal to £328.56 monthly repayments.

Total amount repaid £11828.16

Total interest repaid on top of loan amount is **£1028.19** , meaning that the land lord will be paying an additional £28.56 per month in interest fees if he sourced a commercial loan.