Net Present Value Calulation
Option to Increase the Amersham Multi Storey Car Park from current 680 spaces to 920 spaces an increase of 240 spaces.
Updated

Spaces reduced during construction
Immediate uptake (240 x 20%)
Followed by annual increase
until capacity.

Year		Capital Expenditure (Excluding VAT)	Additional R&M and NDR Inflationary rise 3.00%	Loan Interest 3.04%	Additonal Car Park Income See Right	Total Cashflow	Net Present Value (NPV) Discount Rate 3.00%	Repayment of Capital / Depreciation	Annual (Profit) / Loss	Return on Investment	Loan Repayment Equal Installments of Principal			Additional Car Park Income		
											Opening Balance	Loan Repayment	Closing Balance	Additional Occupancy	Aver Income Inflationary rise 3.00% le RPI	Income Estimate
		A	B1	B2	C	D = A+B1+B2+C	D Discounted	E	F = B1+B2+C+E							
		£	£	£	£	£	£	£	£		£	£	£			
0	2016/17	5,940,000	0	0	52,087	5,992,087	5,992,087		52,087		5,940,000	0	5,940,000			52,087
1	2017/18		22,748	180,576	-46,416	156,908	152,338	148,500	305,408	-5.1%	5,940,000	-148,500	5,791,500	48	967	-46,416
2	2018/19		23,430	176,062	-95,617	103,875	97,912	148,500	252,375	-4.2%	5,791,500	-148,500	5,643,000	96	996	-95,617
3	2019/20		24,133	171,547	-147,728	47,952	43,883	148,500	196,452	-3.3%	5,643,000	-148,500	5,494,500	144	1,026	-147,728
4	2020/21		41,248	167,033	-202,880	5,401	4,799	148,500	153,901	-2.6%	5,494,500	-148,500	5,346,000	192	1,057	-202,880
5	2021/22		42,486	162,518	-261,208	-56,204	-48,482	148,500	92,296	-1.6%	5,346,000	-148,500	5,197,500	240	1,088	-261,208
6	2022/23		43,760	158,004	-269,044	-67,280	-56,346	148,500	81,220	-1.4%	5,197,500	-148,500	5,049,000	240	1,121	-269,044
7	2023/24		45,073	153,490	-277,116	-78,553	-63,871	148,500	69,947	-1.2%	5,049,000	-148,500	4,900,500	240	1,155	-277,116
8	2024/25		46,425	148,975	-285,429	-90,029	-71,069	148,500	58,471	-1.0%	4,900,500	-148,500	4,752,000	240	1,189	-285,429
9	2025/26		47,818	144,461	-293,992	-101,713	-77,955	148,500	46,787	-0.8%	4,752,000	-148,500	4,603,500	240	1,225	-293,992
10	2026/27		49,253	139,946	-302,812	-113,613	-84,539	148,500	34,887	-0.6%	4,603,500	-148,500	4,455,000	240	1,262	-302,812
11	2027/28		50,730	135,432	-311,896	-125,734	-90,833	148,500	22,766	-0.4%	4,455,000	-148,500	4,306,500	240	1,300	-311,896
12	2028/29		52,252	130,918	-321,253	-138,083	-96,849	148,500	10,417	-0.2%	4,306,500	-148,500	4,158,000	240	1,339	-321,253
13	2029/30		53,820	126,403	-330,891	-150,668	-102,597	148,500	-2,168	0.0%	4,158,000	-148,500	4,009,500	240	1,379	-330,891
14	2030/31		55,434	121,889	-340,817	-163,494	-108,089	148,500	-14,994	0.3%	4,009,500	-148,500	3,861,000	240	1,420	-340,817
15	2031/32		57,097	117,374	-351,042	-176,570	-113,334	148,500	-28,070	0.5%	3,861,000	-148,500	3,712,500	240	1,463	-351,042
16	2032/33		58,810	112,860	-361,573	-189,903	-118,341	148,500	-41,403	0.7%	3,712,500	-148,500	3,564,000	240	1,507	-361,573
17	2033/34		60,574	108,346	-372,420	-203,500	-123,121	148,500	-55,000	0.9%	3,564,000	-148,500	3,415,500	240	1,552	-372,420
18	2034/35		62,392	103,831	-383,593	-217,370	-127,682	148,500	-68,870	1.2%	3,415,500	-148,500	3,267,000	240	1,598	-383,593
19	2035/36		64,263	99,317	-395,101	-231,520	-132,033	148,500	-83,020	1.4%	3,267,000	-148,500	3,118,500	240	1,646	-395,101
20	2036/37		66,191	94,802	-406,954	-245,960	-136,182	148,500	-97,460	1.6%	3,118,500	-148,500	2,970,000	240	1,696	-406,954
21	2037/38		68,177	90,288	-419,162	-260,697	-140,138	148,500	-112,197	1.9%	2,970,000	-148,500	2,821,500	240	1,747	-419,162
22	2038/39		70,222	85,774	-431,737	-275,741	-143,907	148,500	-127,241	2.1%	2,821,500	-148,500	2,673,000	240	1,799	-431,737
23	2039/40		72,329	81,259	-444,689	-291,101	-147,498	148,500	-142,601	2.4%	2,673,000	-148,500	2,524,500	240	1,853	-444,689
24	2040/41		74,499	76,745	-458,030	-306,786	-150,918	148,500	-158,286	2.7%	2,524,500	-148,500	2,376,000	240	1,908	-458,030
25	2041/42		76,734	72,230	-471,771	-322,807	-154,174	148,500	-174,307	2.9%	2,376,000	-148,500	2,227,500	240	1,966	-471,771
26	2042/43		79,036	67,716	-485,924	-339,172	-157,272	148,500	-190,672	3.2%	2,227,500	-148,500	2,079,000	240	2,025	-485,924
27	2043/44		81,407	63,202	-500,502	-355,893	-160,219	148,500	-207,393	3.5%	2,079,000	-148,500	1,930,500	240	2,085	-500,502
28	2044/45		83,849	58,687	-515,517	-372,980	-163,021	148,500	-224,480	3.8%	1,930,500	-148,500	1,782,000	240	2,148	-515,517
29	2045/46		86,365	54,173	-530,982	-390,445	-165,684	148,500	-241,945	4.1%	1,782,000	-148,500	1,633,500	240	2,212	-530,982
30	2046/47		88,956	49,658	-546,912	-408,298	-168,213	148,500	-259,798	4.4%	1,633,500	-148,500	1,485,000	240	2,279	-546,912
31	2047/48		91,624	45,144	-563,319	-426,551	-170,615	148,500	-278,051	4.7%	1,485,000	-148,500	1,336,500	240	2,347	-563,319
32	2048/49		94,373	40,630	-580,219	-445,216	-172,894	148,500	-296,716	5.0%	1,336,500	-148,500	1,188,000	240	2,418	-580,219
33	2049/50		97,204	36,115	-597,625	-464,306	-175,055	148,500	-315,806	5.3%	1,188,000	-148,500	1,039,500	240	2,490	-597,625
34	2050/51		100,120	31,601	-615,554	-483,833	-177,105	148,500	-335,333	5.6%	1,039,500	-148,500	891,000	240	2,565	-615,554
35	2051/52		103,124	27,086	-634,021	-503,810	-179,046	148,500	-355,310	6.0%	891,000	-148,500	742,500	240	2,642	-634,021
36	2052/53		106,218	22,572	-653,041	-524,252	-180,884	148,500	-375,752	6.3%	742,500	-148,500	594,000	240	2,721	-653,041
37	2053/54		109,404	18,058	-672,632	-545,171	-182,623	148,500	-396,671	6.7%	594,000	-148,500	445,500	240	2,803	-672,632
38	2054/55		112,686	13,543	-692,811	-566,582	-184,267	148,500	-418,082	7.0%	445,500	-148,500	297,000	240	2,887	-692,811
39	2055/56		116,067	9,029	-713,596	-588,500	-185,821	148,500	-440,000	7.4%	297,000	-148,500	148,500	240	2,973	-713,596
40	2056/57		119,549	4,514	-735,004	-610,940	-187,288	148,500	-462,440	7.8%	148,500	-148,500	0	240	3,063	-735,004
		5,940,000	2,799,883	3,701,808	-16,968,742	-4,527,051	1,393,054	5,940,000	-4,527,051							-16,968,742
							Negative is good		Negative is good							

It is beneficial to proceed if:
- The Total NPV over the 40 years is negative (ie income exceeds expenditure)
- The Annual Return on Investment is reasonable.

Notes:

			SR Figures
Capital Expenditure	Build	11500	4,608,000
	Contigenc	29%	1,336,320
	Total Nett		**5,944,320**
	VAT		1,188,864
	Total Gross		7,133,184

Value of Current Freehold	4,170,000
Value of Freehold after development	7,175,000
Increase invalue	3,005,000

Total Income	2014/15		655,425	
	2015/16		660,155	Est
	Average per year		657,790	
	Number of spaces		680	
	Average per space per year	£	967.34	

Current car park charges per day		£5.00
NDR	Current	50,286
New (ie current divided by 680 x 920)		68,034
		17,748
R&M - Years 1-3		5,000
R&M		20,000

Lost income in year 1	›st spaces		
20 weeks	140	£	52,087.44
		£	-
		£	52,087.44