

Assumptions/ Sensitivity testing

House price change	0%
Mortgage interest rates	5%
Wealth adjustment	6.80%

Affordability Scenario 1**A single full time earner newly forming household (<30) buying a lower quartile priced property in Moray in 2009**

Lower quartile house price £95,000

Mortgage multiplier 3.50

Deposit required £9,500

10 % Source = <http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/>

Mortgage required £85,500

Weekly mortgage payments £82

5% % Source = <http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/>

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross weekly income (single full time earner) adjusted for age group (<30)	£267.00	£304.25	£307.78	£320.77	£343.30	£369.70	£434.39	£508.59	£523.36	£524.56	
Gross annual income (single full time earner)	£13,883.76	£15,821.19	£16,004.78	£16,680.30	£17,851.46	£19,224.39	£22,588.46	£26,446.87	£27,214.70	£38,969.61	#VALUE!
Max mortgage achievable	£48,593.15	£55,374.17	£56,016.73	£58,381.04	£62,480.11	£67,285.35	£79,059.61	£92,564.04	£95,251.43	£136,393.64	#VALUE!
Max affordable housing cost	£66.75	£76.06	£76.95	£80.19	£85.82	£92.42	£108.60	£127.15	£130.84	£131.14	#VALUE!

AFFORDABILITY QUESTIONS

Does the purchaser have sufficient income to support mortgage credit?	-£36,906.85	-£30,125.83	-£29,483.27	-£27,118.96	-£23,019.89	-£18,214.65	-£6,440.39	£7,064.04	£9,751.43	£50,893.64	#VALUE!
Can the purchaser afford the weekly mortgage payments?	-£15.46	-£6.15	-£5.27	-£2.02	£3.61	£10.21	£26.39	£44.94	£48.63	£48.93	#VALUE!

Deposit required £9,500

Affordability Scenario 1a

A single full time earner buying a lower quartile priced property in Moray in 2009

Lower quartile house price	£95,000	
Mortgage multiplier	3.50	
Deposit required	£9,500	10 % Source = http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/
Mortgage required	£85,500	
Weekly mortgage payments	£82	5% % Source = http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross annual income (single full time earner)	£14,744.81	£17,438.30	£17,982.56	£19,137.71	£21,114.79	£23,869.37	£29,039.77	£34,548.95	£36,398.29	£38,969.61	#VALUE!
Max mortgage achievable	£51,606.83	£61,034.06	£62,938.95	£66,981.97	£73,901.76	£83,542.80	£101,639.21	£120,921.31	£127,394.03	£136,393.64	#VALUE!
Max affordable housing cost	£70.89	£83.84	£86.45	£92.01	£101.51	£114.76	£139.61	£166.10	£174.99	£187.35	#VALUE!

AFFORDABILITY QUESTIONS

Does the purchaser have sufficient income to support	-£33,893.17	-£24,465.94	-£22,561.05	-£18,518.03	-£11,598.24	-£1,957.20	£16,139.21	£35,421.31	£41,894.03	£50,893.64	#VALUE!
Can the purchaser afford the weekly mortgage payments?	-£11.32	£1.63	£4.24	£9.80	£19.30	£32.55	£57.40	£83.89	£92.78	£105.14	#VALUE!

Deposit required **£9,500**

Affordability Scenario 2

A dual full time earner household buying a median priced property in Moray in 2009

Median house price £133,000

Mortgage multiplier 2.87

Deposit required £13,300

10 % Source = <http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/>

Mortgage required £119,700

Weekly mortgage payments £115

5% % Source = <http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/>

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (dual full time earners)	£567.11	£670.70	£691.64	£736.07	£812.11	£918.05	£1,116.91	£1,328.81	£1,399.93	£1,498.83	#VALUE!
Gross annual income (dual full time earners)	£29,489.62	£34,876.61	£35,965.11	£38,275.41	£42,229.57	£47,738.75	£58,079.55	£69,097.89	£72,796.59	£77,939.22	#VALUE!
Max mortgage achievable	£84,635.20	£100,095.86	£103,219.88	£109,850.43	£121,198.88	£137,010.20	£166,688.31	£198,310.95	£208,926.21	£223,685.57	#VALUE!
Max affordable housing cost	£141.78	£167.68	£172.91	£184.02	£203.03	£229.51	£279.23	£332.20	£349.98	£374.71	#VALUE!

AFFORDABILITY QUESTIONS

Does the purchaser have sufficient income to support	-£35,064.80	-£19,604.14	-£16,480.12	-£9,849.57	£1,498.88	£17,310.20	£46,988.31	£78,610.95	£89,226.21	£103,985.57	#VALUE!
Can the purchaser afford the weekly mortgage payments?	£26.68	£52.58	£57.81	£68.92	£87.93	£114.42	£164.13	£217.11	£234.89	£259.61	#VALUE!

Deposit required **£13,300**

Affordability Scenario 3

A single full time earner renting a market priced private rented property in Moray in 2010

Median market rent £103 per week

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross annual income (single full time earner)	£14,744.81	£17,438.30	£17,982.56	£19,137.71	£21,114.79	£23,869.37	£29,039.77	£34,548.95	£36,398.29	£38,969.61	#VALUE!
Max affordable housing cost	£70.89	£83.84	£86.45	£92.01	£101.51	£114.76	£139.61	£166.10	£174.99	£187.35	#VALUE!

AFFORDABILITY QUESTIONS

Can the purchaser afford market rent?	-£32.11	-£19.16	-£16.55	-£10.99	-£1.49	£11.76	£36.61	£63.10	£71.99	£84.35	#VALUE!
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Affordability Scenario 3a**A single full time earner renting a 2 bed mid-market rent property in Elgin in 2010**

Local Housing Allowance £115.38

Maximum mid-market rent £92.30 per week

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross annual income (single full time earner)	£14,744.81	£17,438.30	£17,982.56	£19,137.71	£21,114.79	£23,869.37	£29,039.77	£34,548.95	£36,398.29	£38,969.61	#VALUE!
Max affordable housing cost	£70.89	£83.84	£86.45	£92.01	£101.51	£114.76	£139.61	£166.10	£174.99	£187.35	#VALUE!

AFFORDABILITY QUESTIONS

Can the purchaser afford market rent?	-£21.42	-£8.47	-£5.85	-£0.30	£9.21	£22.45	£47.31	£73.80	£82.69	£95.05	#VALUE!
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Affordability Scenario 4

A single full time earner buying a 60% stake in New Supply Shared Equity/ LIFT 2 bed flat in Elgin in 2010

NSSE purchase price	£120,000	
Mortgage multiplier	3.50	
HAG required	£48,000	40.00%
Equity share purchased	£72,000	60.00 %
Deposit required	£10,800	15 % Source = Grampian Housing Association
Mortgage required	£61,200	
Weekly mortgage payments	£59	5% % Source = http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross annual income (single full time earner)	£14,744.81	£17,438.30	£17,982.56	£19,137.71	£21,114.79	£23,869.37	£29,039.77	£34,548.95	£36,398.29	£38,969.61	#VALUE!
Max mortgage achievable	£51,606.83	£61,034.06	£62,938.95	£66,981.97	£73,901.76	£83,542.80	£101,639.21	£120,921.31	£127,394.03	£136,393.64	#VALUE!
Max affordable housing cost	£70.89	£83.84	£86.45	£92.01	£101.51	£114.76	£139.61	£166.10	£174.99	£187.35	#VALUE!

AFFORDABILITY QUESTIONS

Does the purchaser have sufficient income to support	-£9,593.17	£61,034.06	£62,938.95	£66,981.97	£73,901.76	£83,542.80	£101,639.21	£120,921.31	£127,394.03	£136,393.64	#VALUE!
Can the purchaser afford the weekly mortgage payments?	£12.04	£24.99	£27.61	£33.16	£42.67	£55.91	£80.77	£107.25	£116.15	£128.51	#VALUE!

Deposit required **£10,800**

Affordability Scenario 5a**Owner occupier selling a lower quartile priced house and buying a NSSE 2 bed bungalow to meet their medical/support needs**

NSSE Bungalow price		£120,000
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Equity available	75.00%	£90,000
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HAG required	25.00%	£30,000
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Further research required into feasibility, into design and location, and to quantify potential market

Affordability Scenario 5b

A first time buyer buying a NSSE 2 bed flat in MVPI3 Elgin Phase 1 in 2010

Median purchase price £109,250

Mortgage multiplier 3.50

Median mortgage taken £65,550

60 % stake purchased

Deposit required £9,833

15 % Source = Grampian Housing Association

Mortgage required £55,718

Weekly mortgage payments £54

5% % Source = <http://moneyfacts.co.uk/compare/mortgages/best-sellers-mortgages/>

	deciles										
	1	2	LQ	3	4	5 Median	6	7	UQ	8	9
Gross weekly income (single full time earner)	£283.55	£335.35	£345.82	£368.03	£406.05	£459.03	£558.46	£664.40	£699.97	£749.42	#VALUE!
Gross weekly income (single full time earner) adjusted for	£267.00	£304.25	£307.78	£320.77	£343.30	£369.70	£434.39	£508.59	£523.36	£524.56	#VALUE!
Gross annual income (single full time earner)	£13,883.76	£15,821.19	£16,004.78	£16,680.30	£17,851.46	£19,224.39	£22,588.46	£26,446.87	£27,214.70	£27,277.14	#VALUE!
Max mortgage achievable	£48,593.15	£55,374.17	£56,016.73	£58,381.04	£62,480.11	£67,285.35	£79,059.61	£92,564.04	£95,251.43	£95,470.00	#VALUE!
Max affordable housing cost	£70.89	£83.84	£86.45	£92.01	£101.51	£114.76	£139.61	£166.10	£174.99	£187.35	#VALUE!

AFFORDABILITY QUESTIONS

Does the purchaser have sufficient income to support	-£7,124.35	£55,374.17	£56,016.73	£58,381.04	£62,480.11	£67,285.35	£79,059.61	£92,564.04	£95,251.43	£95,470.00	#VALUE!
Can the purchaser afford the weekly mortgage payments?	£17.31	£30.26	£32.88	£38.43	£47.94	£61.18	£86.04	£112.53	£121.42	£133.78	#VALUE!
80% stake in NSSE affordable IF there is access to a deposit								Market housing affordable - see Scenario 1a			

Deposit required**£9,833**