



# High-Yield Property Investment

47 CROSS STREET, SPALDING, PE11 2YG | 4-BED HMO

## The Opportunity

- 5 year lease
- "Blue-chip" tenant contracting with UK Government
- No voids
- No management costs.
- To be converted to 4-bed HMO
- **Potential Return on Capital Employed of 19.36%**

## Key Financials

<b>Purchase Price</b>	<b>£175,000</b>
Legal Fees	£2,000
Refurbishment	£22,000
SDLT	£9,750
Sourcing Fee	£6,000
Estimated Annual Buildings Insurance	£300
<b>Total Cost to Purchase</b>	<b>£214,750</b>
Annual Rent	£23,803
<b>Return on Investment</b>	<b>11.10%</b>

ESTIMATES

## Examples

### Property Purchased with Mortgage

<b>Purchase Price</b>	<b>£175,000</b>
Example mortgage interest rate	5.00%
Example loan-to-value (LTV)	75%
Mortgage Balance (excl. any arrangement fee)	£131,250
Cash left in the investment*	£83,500
Annual Guaranteed Rental	£23,803
Mortgage Payments (Interest Only)	£6,562
Buildings Insurance (Estimate)	£300
Net Income	£16,941
<b>Return on Capital Employed</b>	<b>20.28%</b>

\*Cash left in the investment: 25% of advertised price, refurb costs, legal fees, SDLT, Sourcing fees.

\*Estimated value after refurb: Based on comparables - available on request

IMPORTANT: Any information presented by Living Redefined Management Limited (LRML) is for illustration purposes and general information only. LRML is not authorised or regulated by the Financial Conduct Authority (FCA) and is not permitted to offer financial advice about investments, mortgages or insurance products. LRML does not offer financial advice. Enquiries received by LRML in relation to mortgage and insurance products may be referred to FCA regulated Independent Financial Advisors or Specialist Mortgage and Insurance Advisors with whom LRML may have introducer agreements.

## The Strategy

1. Convert to 4-bed HMO
2. Refurbish to meet tenant and local authority specifications and all statutory compliance requirements

## How the scheme works

1. Purchase the property
2. Complete any refurbishments required
3. Obtain the necessary statutory compliance documents (e.g. Fire Risk Assessment, Gas Safety Certificate, Electrical Installation Condition Certificate (EICR), and EPC)
4. Your property will be inspected to confirm compliance with the tenant and local authority property requirements, including statutory compliance
5. Your property will be signed onto the scheme and lease executed
6. Rent is paid to you from the date that your property is signed onto the scheme, one month in arrears

**Reliable, double-digit returns**

