



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 20.28%**

Key Financials

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

Examples

Property Purchased with Mortgage

Purchase Price	£175,000
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
Return on Capital Employed	20.28%

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

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

