

Batley WF17 – 4 / 5 Bed HMO - Strong cashflow (est £600 pcm min)

Staged payment deal / £1,250 k + Cash out after costs – overall 84% BMV

Staged Payment deal summary – RICS value August 2010 - £212,000

We are pleased to offer this uniquely laid out merged back to back end terrace property with previous part commercial shop (off license) which is available for a staged payment purchase, offering **£1,250 cash out at the start and an estimated £600pcm positive cashflow when running (based on 5 * LHA sharers)**

The house briefly comprises; lounge, two kitchen/diners, two cellars, two family bathrooms, one downstairs w/c and four double bedrooms. The property also benefits from an alarm system and uPVC double glazing.

Deal Overview

- 4 bed end terrace – was 2 * back to backs – possibly to convert to 4 * 1 bed or a substantial 4 bed property
- Excellent Condition throughout
- Huge property
- At least 5 lettable rooms possible 7 (subject to appropriate planning etc)
- 2 kitchens, 2 bathrooms
- Expected Cashflow £500+ pcm based on £61 pw rent LHA rate
- RICS Value £212k (August 2010)
- Staged Payment Deal
 - Stage 1 – purchase - £147,000 – initial 31% discount, CASH OUT £1250
 - Stage 2 – 60 months – 33,000
 - Total - 85% of today's value across 5 years
- **est £1250 Cash out AFTER ALL COSTS PAID – (2 * Legals, vals, Finance & FF) based on 75% Paragon HMO product**
- £4000 Finders & Case Management Fee
- £500 res fee to secure, Subject to EveryCloud T's & C's

Buyer criteria:

- Minimum income £25k pa
- 3 years experience needed for HMO
- Must go through a Broker who has access to this product – we can recommend one

Deal Illustration

Best Mortgage Available		STAGED PAYMENT																																																									
Property Value	212,000	Property Value	212,000																																																								
LTV	75%	<table border="1"> <thead> <tr> <th colspan="2">BUYER</th> <th colspan="2">VENDOR</th> </tr> </thead> <tbody> <tr> <td>Mortgage</td> <td>159,000</td> <td>Payment On completion</td> <td>147,000</td> </tr> <tr> <td>Less Costs</td> <td></td> <td>Second Payment</td> <td>33,000</td> </tr> <tr> <td>Vendor Solicitors</td> <td>750</td> <td>Period</td> <td>5</td> </tr> <tr> <td>Purchaser Solicitor</td> <td>750</td> <td>TOTAL PAYMENTS</td> <td>180,000</td> </tr> <tr> <td>Additional Cost for Staged Payment</td> <td>500</td> <td></td> <td>84.9%</td> </tr> <tr> <td>Bridging</td> <td>2,120</td> <td></td> <td></td> </tr> <tr> <td>Stamp Duty</td> <td>2,120</td> <td></td> <td></td> </tr> <tr> <td>Finder Fee</td> <td>4,000</td> <td></td> <td></td> </tr> <tr> <td>Valuation</td> <td>300</td> <td></td> <td></td> </tr> <tr> <td></td> <td>10,740</td> <td></td> <td></td> </tr> <tr> <td>Cash Remaining</td> <td>148,260</td> <td>Monthly Instalments</td> <td></td> </tr> <tr> <td>Vendor First Payment</td> <td>147,000</td> <td>Total over Period</td> <td>60</td> </tr> <tr> <td>Cash Out On Completion</td> <td>1,280</td> <td></td> <td></td> </tr> </tbody> </table>		BUYER		VENDOR		Mortgage	159,000	Payment On completion	147,000	Less Costs		Second Payment	33,000	Vendor Solicitors	750	Period	5	Purchaser Solicitor	750	TOTAL PAYMENTS	180,000	Additional Cost for Staged Payment	500		84.9%	Bridging	2,120			Stamp Duty	2,120			Finder Fee	4,000			Valuation	300				10,740			Cash Remaining	148,260	Monthly Instalments		Vendor First Payment	147,000	Total over Period	60	Cash Out On Completion	1,280		
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Pay Rate	4.80%																																																										
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Arrangement Fee	2.50%																																																										
Rental Mortgage Hurdle	174,138																																																										
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TOTAL MORTGAGE	162,975																																																										
Final Mortgage Payment	652																																																										
Coverage Check	203%																																																										
Gross cashflow pcm	669																																																										

Overview / Description:

Area Overview – From RICS

The property is situated in a established residential area along Soothill Lane, Batley at its junction with Gregory Street.

This is a well populated location about a quarter of a mile from Batley Town Centre, where there is a wide range of amenities and facilities available. Batley is well placed for easy access to Dewsbury, Huddersfield, Leeds, other towns and cities in the area, the main road and the motorway network. The area is well served with amenities and facilities.

Property Pictures:







RICS VALUATION – FULL COPY AVAILABLE UPON REQUEST

H VALUATION

This is an unusual property. Previously two back to back houses with a lower ground floor retail element. The property was subsequently converted into one house with the retail element being part and parcel of that one unit.

The property lends itself to being occupied by a large family for whom the lower ground floor retail/ commercial unit will be of benefit. As an investment the property lends itself for the retail unit to be separately let as a shop or some other commercial purpose subject to Local Authority consent which might be necessary and for the upper parts to be converted back into two separate dwellings and occupied accordingly.

I am of opinion that the open market value of the property in current market conditions is in the sum of £212,000 (Two Hundred and Twelve Thousand Pounds) and I am of opinion that the value of the property will be maintained.

I am not aware of any circumstances which are likely to cause the value of the property to suffer any abnormal

73 Soothill Lane, Batley, WF17 6NE
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fluctuation or depreciation within the foreseeable future.

However, as you are probably aware, the property market is in a relatively depressed state at present and media speculation suggests that we may see further reduction in property values within the foreseeable future.

There is usually a healthy demand for a property of this type in this location however, although it is unlikely that the current state of the property market will produce an increase in values in the short term.

I trust I have satisfactorily interpreted your requirements. If there is anything further I can assist with or if there is anything in this report about which you would like further advice or information, please do not hesitate to let me know.

This report is provided solely for the named Clients and their professional advisers only. It should not be relied upon by anyone else.

The purpose of the inspection is to provide a Report on the general state of repair and condition of the property. The Report may not detail every minor defect which does not materially affect value.

The Clients are advised to show a copy of this Report to their legal representatives as it may affect investigations and other enquiries which the legal representatives will need to make.

Signed: 

David G Horner, FRICS, FBEng

**David G Horner
Chartered Surveyor, Valuer, Building Engineer, Building Surveyor**

**18 Broadgate, Ossett, Wakefield, West Yorkshire WF5 0PU
Tel: (01924) 275 275 Fax: (01924) 271 860 Mobile: 07860 359 464**

Dated this 4th day of August 2010