

# Quiddity Sourcing



**Block of 9 self contained flats (8 x 1 & 1x 2 bed)**

**On split leases already 9 allocated parking**

**£595,000**



**Deposit Needed – £200,000**

# Quiddity Sourcing Deals

**Price =  
£595,000**

**01**

## The Block

- **What:** Block of 9 self contained flats
- 8 x 1 & 1x 2 bed flats
- On split leases already
- 9 allocated parking
- Owned for over 5 years.
- Freehold - Ground Rent £8 per annum

**02**

## The Financials on entry

- **Rent :** £50,000
- **Price of each flats on entry:** £84,000

**03**

## Title Splitting & Refinancing

1. After light refurb value increases to £100,000 each.
2. **GDV** = £925,000
3. **Refinance** at 75% LTV = £693,000.
4. **BTL** (6%) = £41,000p.a or £3500 pm
5. **Light Refurb:** £50,000.
6. **SDLT** -£18,250
7. **Legals** = £2000
8. **Finance cost**= approx £20,000
9. **Total Costs** -  
a. £ 595,00+ £50k £18k+£2k =  
£665,000

**04**

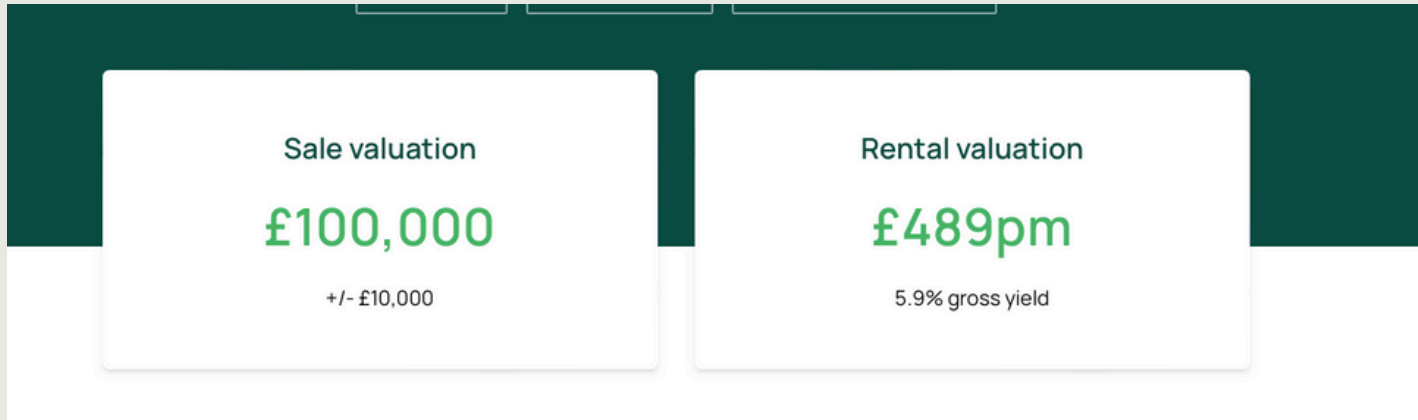
## Return on Investment

- **Summary:**
  - Refinance out= £693,000
  - Total Costs= £ 685,000
- a. **No money Left in.**
- b. **Net Passive Income = £9000 p.a or £750 pm**

## Outcome:

**Recycle capital and buy more blocks**

# Valuation on exit post light refurb



## Costs:

### SDLT

TOTAL STAMP DUTY		TOTAL TAXABLE SUM	
£18,250		£425,000	
Tax band	%	Taxable sum	Tax
£0 - £150,000	0%	£150,000	£0
£150,001 - £250,000	2%	£100,000	£2,000
£250,001+	5%	£325,000	£16,250

### Refurb Costs

**£5k each flat x  
9 but c.  
£50,000**

# Return on Investment

- Purchase: £595,000
- Total Costs: £665,000
- **Refinance out= £693,000**
- **Net Rental Income: £9,000 per annum or £750 per month**

## Summary:

- a. Infinite Return – No money Left in
- b. Net Passive Income = £9000 p.a or £750 pm
- c. Recycle capital and buy more blocks