



**Block of 21
self contained flats
(5x studios & 16 x 1
beds)**

£1,250,000



Deposit Needed – £325,000

Quiddity Sourcing Deals

Price = £1,250,000

01

The Block

- **What:** Block of 21 self contained flats
- 5 x Studios & 16x1 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 p.a :** £120,000
- **Rent p.m :** £10,000
- **Price of each flats on entry:** £60,000

03

Title Splitting & Refinancing

1. After light refurb value increases to £100,000 each.
2. **GDV** = £2,100,000
3. **Refinance** at 75% LTV = £1,575,000
4. **BTL** (6%) = £94,500 p.a or £7875 pm
1. **Light Refurb:** £50,000.
2. **SDLT** -£52,000
3. **Legals** = £2000
4. **Finance cost**= approx £20,000
5. **Total Costs** -
a. £ 1,25m + £50k £52k+£2k =
£1.354,000

04

Return on Investment

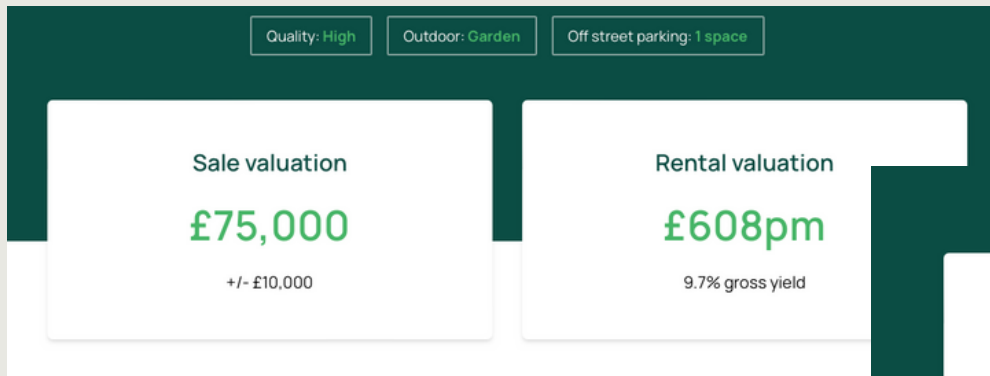
- **Summary:**
 - Refinance out= £1,575,000
 - Total Costs= £ 1,354,000
1. No money Left in.
 2. Net Passive Income = £2125 p.m or £25,500 pm

Outcome:

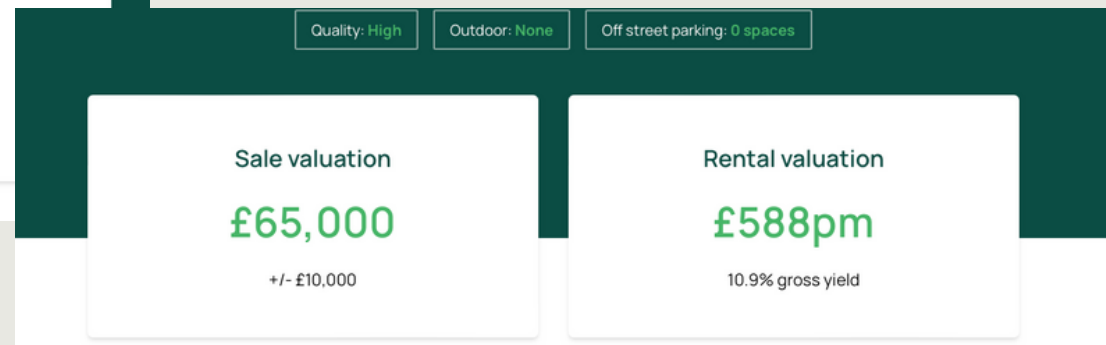
Recycle capital and buy more blocks

Valuation on exit post light refurb

Valuation post split at a high condition



Valuation post split at a average condition



Costs:

SDLT

TOTAL STAMP DUTY		TOTAL TAXABLE SUM	
£52,000		£1,100,000	
Tax band	%	Taxable sum	Tax
£0 - £150,000	0%	£150,000	£0
£150,001 - £250,000	2%	£100,000	£2,000
£250,001+	5%	£1,000,000	£50,000

Refurb Costs



Return on Investment

- Purchase: £1,250,000
- Total Costs: £1,354,000
- **Refinance out= £1,575,000**
- **Net Rental Income: £25,500 per annum or £2,125 per month**

Summary:

- a. Infinite Return – No money Left in
- b. Net Passive Income = £25,500 p.a or £2125 pm
- c. Recycle capital and buy more blocks