



Property Reference:

Jan010

Negotiated Price	£20000
Estimated Value*	£50000
LHA Rental Income (pcm)	£390
LHA Rental Yield	23.40%
Private Rental Income (pcm)	£350
Private Rental Yield	21.00%
BMV Discount*	60.00%

*Post Refurbishment

Please read page 3 for the Ahuja Group terms and conditions

The Facts

Region	Scotland
Property Type	Flat
Bedrooms	1
Tenancy	AST
Tenanted/Vacant	Vacant

Local Price Comparables

Local comparables show that post-refurbishment this flat may realistically value between £50000-£60000.

Neighbourhood profile

			Local	National
Family Income	Low	Total Population	135817	49138831
Interest in current affairs	Medium	% aged 0-19	25.02%	25.03%
Housing with mortgage	Low	% aged 20-34	18.05%	20.30%
Educated to degree	Medium	% aged 35-49	21.74%	21.27%
Couples with children	Very Low	% aged 50-64	19.08%	17.41%
Have satellite TV	Low	% aged 65+	16.09%	15.88%

Financials at a glance

Ahuja Group Fee	£2000
Agency Fee	£350
Legal fees*	£850
Broker Fee**	£795
Survey	£250
Loan Required	£22700
Maximum Loan Available****	£25000
Total Cash Back***	£2300

Rental income	£375.00
Unsecured Loan Cost***	£183.33***
Monthly profit	£191.67

*Includes solicitor fees for both you the buyer and seller, excludes disbursements such as land registry fees, CHAPS, searches and VAT.

**ranges between £395 to £995 depending on volume and complexity

***Ranges subject to your status, please contact Connect IFA before contacting us to find out how much you can obtain.

****Interest only element of loan there will be a capital element as well.

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Further Information

This property is a brilliant opportunity to acquire a deal significantly below market value. The property requires refurbishment including a new kitchen, bathroom, new front door, partial re-wire, new electric heating, re-decorate and re-carpet. We have been quoted £5000 for this work, meaning minimum expenditure and then you can look to release the equity!

LOUNGE 15'1" x 13'2" (MAX)
Front facing lounge with Dormer window.
Electric storage heater.

KITCHEN 9'11" x 4'9"
Basic kitchen with velux window and stainless steel sink unit.

BEDROOM 15'2" x 7'9"
Rear facing double bedroom with fitted storage cupboard.

BATHROOM 8'1" x 3'10"
Bathroom with 3 piece coloured suite, wood paneling and laminate flooring.

Proof Of Funds is required.

Please see page 3 for terms and conditions

Further pictures

1. The negotiated price is the price we have managed to get the vendor to agree to sell the property at. This is usually only confirmed verbally and the vendor is within their legal rights to alter this agreed negotiated price.
2. The estimated value of the property is based on our research of past prices achieved, estimated current prices being achieved for properties of similar type, location and condition. Please remember it is an estimate and is in no way an indication of what a Chartered Surveyor would value the property at. We advise any would be purchaser to make their own enquiries to ascertain whether our estimated value is reasonable before they instruct a RICS survey.
3. The rental income is based on our own research in to the local housing allowance rates (LHA) and market rent. If let to a DSS claimant on full entitlement the achievable rent would be: **£375**. This is based on the prevailing rate of the Local Housing Allowance (LHA) rates for this current month. If let to a private tenant not in receipt of housing benefit then the rent achievable would be **£350**. This is based on an average asking rental price found on Rightmove and in discussion with the local letting agents. We advise to let to a DSS claimant who is entitled to the maximum housing benefit as per their circumstances. i.e. since it the property is a 4 bedroomed property we recommend you let the property to a DSS claimant entitled to 4 bedrooms. This will be based on the size of his or her family and the certain age and sex of their children.
4. The BMV discount is stated as the discount negotiated relative to the estimated value (ascertained as per note 2) we have given the property.
5. The yield is stated as the annual rental (ascertained as per note 3) divided by the negotiated price.
6. The broker fee stated is an estimate. It will range between £395 to £995 depending on volume and complexity on the financing transaction.
7. The legal fees is an estimate and depends again on complexity. The legal fee stated excludes disbursements such as land registry fees, CHAPS, searches and VAT.
8. The bridging fee is calculated as 1% of the estimated value. It will in reality be 1% of the RICS valuation.
9. The survey cost is based on the median price of what lenders charge for a property of the type, size and value in question.
10. The Ahuja Group fee is the fee required to receive the full contact details of the agents that are selling the property. Agents are defined as the party whom we have agreed the sale of the property. Sometimes an agent is not involved. In these cases the Ahuja Group fee is the fee required to receive the full details of the vendor.
11. The deposit required to purchase the property is calculated using what we think is the most suitable mortgage product available at the time. We are not mortgage brokers so please see this figure as an indication only. Our brokers Connect IFA will be able to give you a more accurate figure. We suggest you contact Connect IFA to determine your eligibility to obtain a mortgage before you commit to buy this property.
12. The total capital required is an estimate of what we think you will need to purchase this property. It is an estimate only and we suggest you make your enquiries to how accurate these figures are based on your own personal circumstances.
13. The monthly cost is based on a £25000 unsecured loan being obtained at a borrowing rate of **8.8%**. We suggest you contact Connect IFA to get a more accurate figure as the mortgage you can get will be based on your own personal circumstances.
14. The monthly profit figure calculated is the gross profit you can expect to achieve. This is calculated as the rent (ascertained as per note 2) less the mortgage cost (ascertained as per note 13).
15. Every effort is made to make this property report as accurate as possible however we cannot be held liable for any losses as a result of any investment decisions made from relying on this report. Due diligence should be exercised at all stages including obtaining a survey from a chartered surveyor, performing local authority searches, visual inspection of the property and full investigation of the title of the property by a solicitor.

Terms & Conditions and Refund Policy

We undertake due diligence on all the deals that we promote to ensure availability of investments and authenticity of the information provided. To avoid a conflict of interest we do not own the properties we promote and therefore the information on which we base our assessment of properties is provided by the vendor or selling agent.

You understand it is therefore possible on occasion for some information to differ from what is stated and acknowledge that all information is provided as approximate guidelines. Accordingly, market value is established using real data but should be used as a guideline; the Ahuja Group do not accept liability for survey costs failing to reach indicated market value guideline.

Yield is calculated as a percentage expression of annual rental income compared to asking price. Annual rental income may be determined using real or estimated (based on local comparables) rental figures.

We aim to locate properties with a yield and BMV discount corresponding to your requirements on the Order Form. Preference will be given to properties which meet your preferential criteria, but you the suitability of an investment is determined by its equivalence to your required yield and BMV only.

If you're unable to purchase a property through no fault of your own we will source a similar replacement investment and you agree to allow us a time-frame of six months to do so; this time frame begins from the point at which it is determined you are unable to purchase an investment, and applies to the alternative investments we provide. The stipulation of what is similar will be at the discretion of the Ahuja Group, although we will discuss your preferred criteria with you before finalising criteria.

Refunds will be provided if we are unable to resource an investment property within this six month timeframe.

Deals are reserved on the assumption you will have sufficient buying power to purchase, so it's your responsibility to ensure that this is the case. Refunds will not be granted because of lack of funds or changes in circumstances if an introduction to the vendor has been made.