



86 Empress Road

Why buy?

Superb opportunity to buy a ready-made HMO in the L7 area, an area currently seeing explosive growth. Properties in poor and non-compliant condition are changing hands for £170,000 and this house is performing well at the top of the market.

Headline Figures?

Asking Price:	£180000
Expect Annual Rent	£17159
Gross Yield:	9.53%
Net Monthly Income:	£616

What are my costs?

Deposit	£45000
Legals	£800
Stamp Duty on Purchase Price	£6500 <i>(note: Stamp duty has been calculated on the personal rate of 3% up to £125,000)</i>
Valuation Fee	£500
Sourcing Fee	£3000
Recommended Refurbishment	£ Refurb includes No refurbishment required however the option exists to add a second bathroom to the first floor. This will boost the achievable rent to £100 in the current market.

The above costs total £55800

What is my income?

Gross Rent £1430 *Based on a weekly rent of £90 over 4 bedrooms, calculated over a 4.3333 week to month calculation over 11 months*

Minus:

Utility Bills (est)	£204	<i>Based on approx £9.50 per tenant per week plus £45 for broadband</i>
Management	£172	<i>Based on a rate of 10% + VAT</i>
Mortgage	£400	<i>Based on a rate of 3.50%</i>
Insurance	£21	
Certificates per month	£11	<i>This includes gas annually, Elec certs every 5 years, epc every 10 years and PAT test every year.</i>
License cost per month	£6.7	<i>This house requires a selective license - cost is £6.7 per month</i>

Net Income per month

Net Income	£616
ROI	13.25% based on total cash in of £55800 and annual net income of £7392

Disclaimer

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