

# Residential investment

## St Stephens Gardens, Notting Hill Gate, London W2



### *Activity*

Buildings were in poor condition requiring complete updating and refurbishment. The buildings mainly contained rooms and there were communal cooking and bathing facilities.

From September 2001 to March 2002, buildings were re-designed to create 39 self contained studio apartments and a full refurbishment programme was undertaken.

In March 2002, the new units were put onto the rental market and were all let within 2 weeks on Assured Shorthold Tenancies.

### *Figures*

Purchase Price £3,400,000

Other costs £200,000 (included buying agents fees, stamp duty and all other legal fees)

Total Refurbishment Cost £1,270,000

Rental Income £500,000 per annum

### *Yield*

Based on total purchase and cost price (£4,870,000) the gross yield equates to 10.26%

### *Current Valuation*

Buildings currently valued at £9,000,000

### *Return*

Borrowed 75% of purchase cost (£2,550,000).

Total investment of £2,320,000 shows a profit of £4,130,000 which shows a return on actual cash investment of 178%



# Residential investment

## Upper Berkeley Street, Marble Arch, London W1



### *Activity*

Building in poor condition requiring complete updating and refurbishment. The building mainly contained rooms and there were communal cooking and bathing facilities.

From January 2004 to March 2006, building was re-designed to create 11 self contained studio apartments and a full refurbishment programme was undertaken.

In March 2006, the new units were put onto the rental market and were all let within 1 week on Assured Shorthold Tenancies.

### *Figures*

Purchase Price £1,500,000

Other costs £75,000 (included buying agents fees, stamp duty and all other legal fees)

Total Refurbishment Cost £466,000

Rental Income £180,000 per annum

### *Yield*

Based on total purchase and cost price (£2,041,000) the gross yield equates to 8.82%

### *Current Valuation*

Buildings currently valued at £3,000,000

### *Return*

Borrowed 75% of purchase cost (£1,125,000). Total investment of £916,000 shows a profit of £959,000 which shows a return on actual cash investment of 105%

# Residential investment Perspective, Waterloo, London SE1



## ***Activity***

Purchased units from new but achieved significant discount on sales pricing.

Furnished by interior design company to get above average rental.

On completion, both units immediately rented on Assured Shorthold Tenancies.

## ***Figures***

Total Purchase Cost £665,000

Other costs £30,000 (included buying agents fees, stamp duty and all other legal fees)

Total Furnishing Cost £15,000

Rental Income £50,000 per annum

## ***Yield***

Based on total purchase and furnishing price (£710,000) the gross yield equates to 7.04%

## ***Current Valuation***

Both units valued at £975,000

## ***Return***

Borrowed 75% of purchase cost (£498,750). Total investment of £211,250 shows a profit of £265,000 which shows a return on actual cash investment of 125%



# Commercial investment

## Space Apart Hotel, Hyde Park, London W2



### ***Activity***

This listed Georgian building was a run-down 39-bedroom hotel with a poor occupancy rate. During 2006 extensive due diligence was carried out from a legal, financial and tax perspective and building consent was approved for 31 self contained serviced apartments whilst retaining the hotel license. The building was completely refurbished and now specialises in short term accommodation. Since its' opening in July 2008, the hotel has enjoyed a high level of occupancy.

### ***Figures***

Purchase Price £3.4m

Other costs £150,000 (included buying agents fees and all other legal fees)

Total Refurbishment/Furnishing cost £1.5m

Trading income £900,000

### ***EBIT***

Based on initial trading and projections the business anticipates EBIT (Earnings before interest and tax) in the region of £300,000

### ***Current Valuation***

Currently valued at £8,000,000

### ***Return***

Borrowed £2.4m of purchase cost (£3.4m) and £1.3m for refurbishment. Total borrowings £3.9m. Return on cash investment 218%

# Residential investment

## Goldhurst Terrace, South Hampstead, London NW6



### ***Activity***

Purchased conversion, refurbished and sold.

### ***Figures***

Purchase Price £313,000

Other costs £14,130 (included buying agents fees, stamp duty and all other legal fees)

Total Refurbishment Cost £50,000

Selling price £465,000

### ***Yield***

Sold following refurbishment

### ***Current Valuation***

Sold at £465,000

### ***Return***

Borrowed 75% of purchase cost (£234,750). Total investment of £142,380 shows a profit of £87,870 which shows a return on actual cash investment of 61.7%



# Residential investment

## St John's Court, Swiss Cottage, London NW3



### ***Activity***

Purchased flat in block, refurbished and furnished, let then sold.

### ***Figures***

Purchase Price £325,000

Other costs £10,000 (included buying agents fees, stamp duty and all other legal fees)

Total Refurbishment Cost £35,000

Rented straight away £650 per week

Selling price at expiration of tenancy: £415,000k

### ***Yield***

Based on total purchase and furnishing price (£370,000) the gross yield equates to 9.1%

### ***Current Valuation***

Sold at £415,000

### ***Return***

Borrowed 75% of purchase cost (£243,750). Total investment of £126,250 shows a profit of £45,000 which shows a return on actual cash investment of 35.6%