

February 2019

LATEST DEAL: *BRICKS & MORE*



ALWAYS GIVING YOU **MORE.**

Prepared by: Tej Singh, Director

Location

The house is located in Briton Ferry which is 1 hour from Cardiff via train, 15 minutes to Swansea and 5 minutes to Port Talbot and the nearest Hospital (*big employer in the area*). It's a typical South Wales commuter town where the rent is lower than the cities, as is the purchase price, but the journey is under 1 hour.

You're also very close to the picturesque valleys and countryside that Wales is famed for, so it's a great balance for professionals. It's also a few train stops from a University Campus.

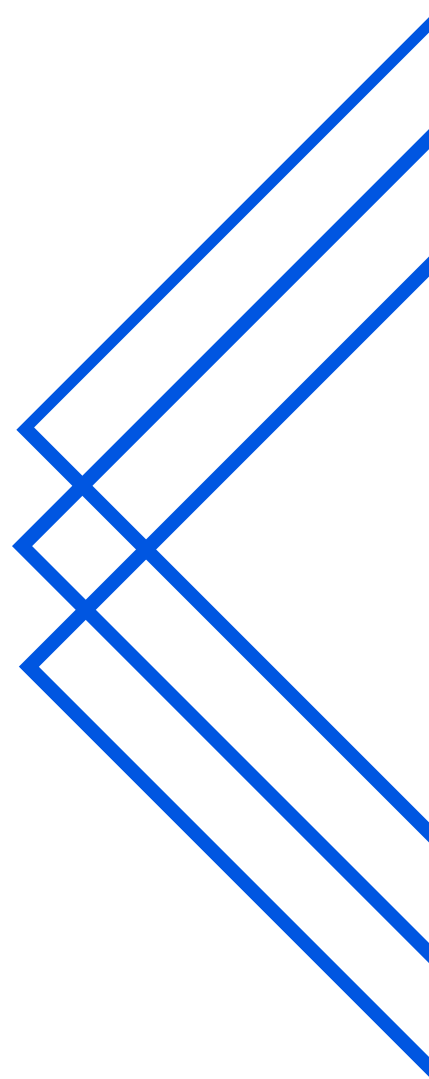
Streetcheck data shows the majority of people who live here are skilled workers, with a very small % being Social Housing tenants. The most common profile is a couple or family working in Cardiff or other nearby towns in Wales. The house is an 8 minute walk to the station, and has a Tesco a few minutes away.

Plan

There are two main strategies that will work on this property. First is to BRR (Buy-Refurbish-Refinance) and second is to Flip it. Due to market uncertainty (Brexit) and the slow sales market in South Wales, we would look to purchase and hold for the long term. However, we will advertise it for sale near refurb completion, to test the market.

This deal is via our network, and via a deal sourcer we trust. We will manage the entire process hands-off for you, including the refurbishment process.

We invite you to join us on trips to Wales during this, so you can get involved and take in the knowledge and experience.



Property Description

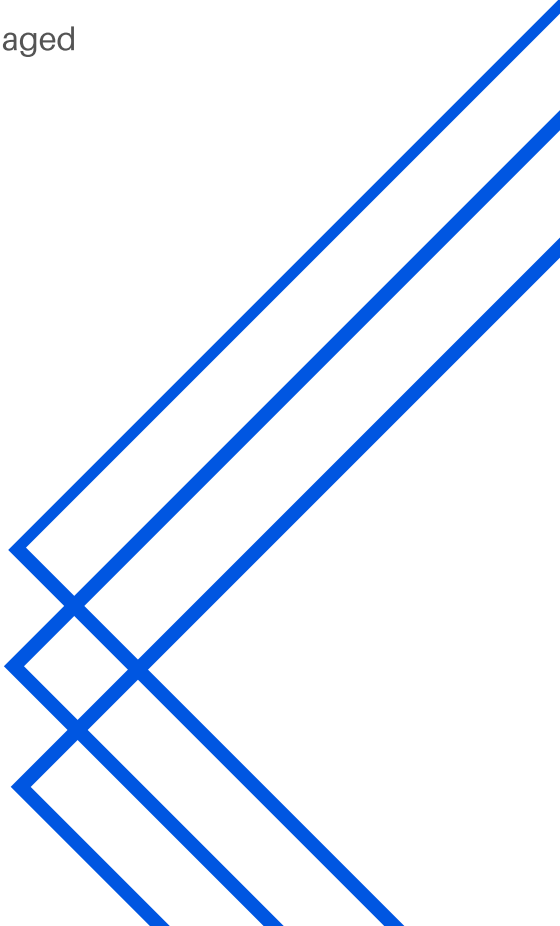
This mid terraced property, recently transferred from a deceased estate to their family, as a probate. The damage is minimal, it is a few areas of damp, a clean-up of the garden and a cosmetic overhaul throughout. There is off-road parking.

As you walk into the property, you have the open plan reception room which also leads on to the kitchen, with the stairs on the left.

Upstairs there are 3 bedrooms and a bathroom. The property will rent out for £500 - £525 pcm after online research, speaking to agents, local network knowledge and response to our lettings adverts.

Refurbishment

This is a top-level summary, not a Schedule of works.

- New modern flooring in the kitchen
 - New carpet on staircase
 - Adjust gutter junction to alter rainwater flow and stop leaks
 - replacement of bay window roof covering and replace damaged plaster
 - Damp proof course on neighbouring wall
 - Upgrade kitchen
 - Modernise Bathroom
 - Decorate throughout
 - Repair garden walls, and tidy garden
 - Electrical and Gas certificates
- 
- A decorative graphic consisting of several overlapping, parallel blue lines that form a series of nested, elongated diamond or parallelogram shapes. The lines are oriented diagonally, sloping upwards from left to right. They are located in the bottom right corner of the page, partially overlapping the white background and the blue lines of the page design.

Figures

Buy-to-let Calculations: **ROCE = 63%**

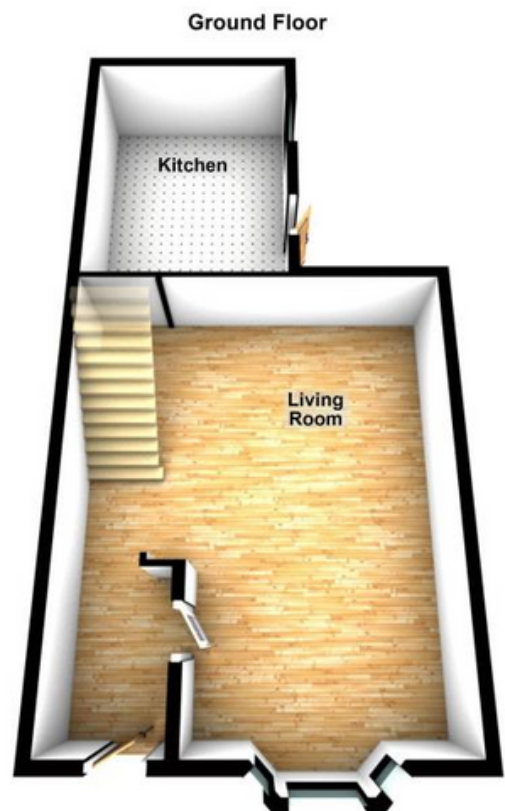
| PURCHASE COSTS | | REFINANCING MORTGAGE | |
|----------------------------------|------------------|--|------------------|
| Purchase price | 50,000.00 | Mortgage @ 75% LTV | 60,000.00 |
| SDLT | £1,500 | Deposit left in | 20,000.0 |
| Solicitor fees | 600.00 | Mortgage payments, 5% at 25 years | £250.00 |
| Survey fees | 400.00 | Rent PCM | £500.00 |
| PM and Sourcing fee | 5,000.00 | Maintenance/voids Annually | £500.00 |
| TOTAL PURCHASE COSTS | 57,500.00 | Cashflow w/ 10% management | £200.00 |
| HOLDING COSTS | | Annual PROFIT | £1,900.00 |
| Renovation costs | 5,000.00 | | |
| 10% Contingency | 500.00 | TOTAL MONEY IN | 63,083.33 |
| Refurb-Finance cost (@ 10% p.a.) | 83.33 | MONEY OUT | 60,000.00 |
| TOTAL HOLDING COSTS | 5,886.67 | MONEY LEFT IN | 3,083.33 |
| | | Years for Rental to cover Money left in | 1.62 |

Flip Calculations

| SUMMARY | |
|-------------------------|------------------|
| PURCHASE PRICE | 50,000.00 |
| ESTIMATED REVALUATION | 80,000.00 |
| | |
| PURCHASE COSTS | 57,500.00 |
| HOLDING COSTS | 5,886.67 |
| TOTAL CASH SPENT | 63,386.67 |
| GROSS PROFIT IF flipped | 24,113.33 |
| % return on investment | 38.0 |

*Please note, all figures calculated are over-estimated for costs and under-estimated for profit. To ensure the deal stacks even in the worst case scenario and for the protection of you, our Investor. HOLDING COSTS INCLUDE COUNCIL TAX + Bills for 6 weeks.

Pictures



Comparables (1/4mi)

54, Llansawel, Neath, Neath Port Talbot SA11 2SG

| | | | |
|----------------|---------------------------------|-------------|------------|
| £79,950 | Terraced, Freehold, Residential | 25 May 2018 | 2 bedrooms |
| £40,000 | Terraced, Freehold, Residential | 31 Oct 2012 | |



93, Hunter Street, Neath, Neath Port Talbot SA11 2RS

| | | | |
|-----------------|---------------------------------|-------------|------------|
| £105,000 | Terraced, Freehold, Residential | 10 Nov 2017 | 3 bedrooms |
| £90,000 | Terraced, Freehold, Residential | 09 Dec 2005 | |



58, Regent Street East, Neath, Neath Port Talbot SA11 2SA

| | | | |
|----------------|---------------------------------|-------------|------------|
| £70,000 | Terraced, Freehold, Residential | 28 Mar 2018 | 3 bedrooms |
| £77,500 | Terraced, Freehold, Residential | 17 Jun 2011 | |
| £43,000 | Terraced, Freehold, Residential | 07 Jun 2010 | |



12, Vernon Street, Neath, Neath Port Talbot SA11 2PE

| | | | |
|----------------|---------------------------------|-------------|------------|
| £90,000 | Terraced, Freehold, Residential | 16 Oct 2018 | 3 bedrooms |
|----------------|---------------------------------|-------------|------------|



25, Vernon Street, Neath, Neath Port Talbot SA11 2PE

| | | | |
|----------------|---------------------------------|-------------|------------|
| £86,000 | Terraced, Freehold, Residential | 22 Jun 2018 | 3 bedrooms |
| £50,000 | Terraced, Freehold, Residential | 29 Sep 2017 | |



64, Neath Road, Briton Ferry, Neath, Neath Port Talbot SA11 2YR

| | | | |
|----------------|---------------------------------|-------------|------------|
| £62,000 | Terraced, Freehold, Residential | 18 May 2018 | 3 bedrooms |
|----------------|---------------------------------|-------------|------------|



91, Hunter Street, Neath, Neath Port Talbot SA11 2RS

| | | | |
|-----------------|---------------------------------|-------------|------------|
| £108,000 | Terraced, Freehold, Residential | 23 Nov 2018 | 3 bedrooms |
| £84,000 | Terraced, Freehold, Residential | 27 Jan 2012 | |
| £85,000 | Terraced, Freehold, Residential | 19 Aug 2005 | |
| £27,000 | Terraced, Freehold, Residential | 19 Sep 1997 | |



What's the average house price in SA11 2YU?

The average price for property in SA11 2YU stood at £110,195 in February 2019. This is a fall of 1.52% in the last three months (since November 2018) and rise of 2.79% since 12 months ago. In terms of property types, flats in SA11 2YU sold for an average of £84,324 and terraced houses for £110,195. This is according to the current Zoopla estimates.

Contact Us

We'd love to hear from you soon



Tej@bricksandmore.co



07934 063 722



bricksandmore.co

