



JUST SECURED!

*A rare opportunity for a
property in sought-after* **Lincolnshire**

WHY SELLING NOW?



Seller wants a quick sale, so has accepted a deal.

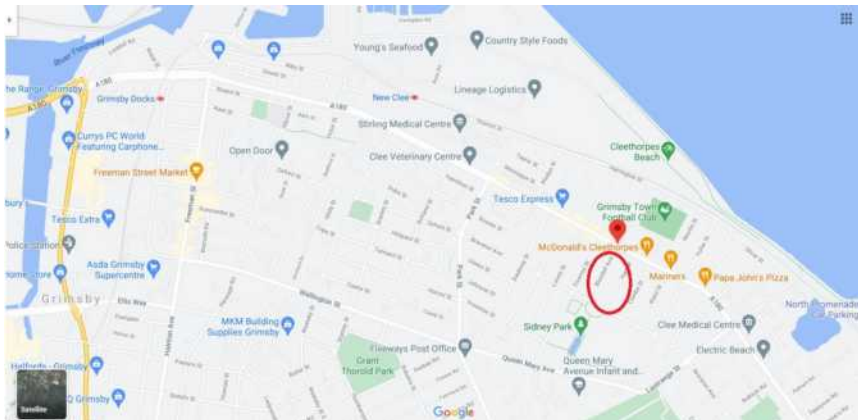
LOCATION

England > NE Lincolnshire > Cleethorpes > DN35

Closest station(s)

New Clew = 0.7 miles / 13 min walk / 3 min drive

Grimsby Docks = 1.3 miles / 25 min walk / 4 min drive





SUMMARY

Address: Blundell Avenue, Cleethorpes, DN35 7PU

Beds: 3

Type: Mid-Terraced House

Tenure: Freehold

Condition: OK condition

Estimated List Price: £86,000

Negotiated Purchase Price: £74,999

Below Market Value: £11,001

Discount: 13%

Tenanted: £500pm

Yield: 8%

INVESTMENT REQUIRED TO PURCHASE: £28,487

PROJECTED RETURN ON CAPITAL: 12%

ALL OUR OPPORTUNITIES ARE ON
A FIRST-COME-FIRST-SERVED BASIS.

THIS WILL GO QUICKLY!

CLICK HERE
TO REGISTER YOUR INTEREST

THANKS



FURTHER DETAILS

- Proven BTL Area!
- Close to Shops, Amenities and Transport Links!
- Good Yielding Investment!
- Circa 5 mins drive to Town Centre!

COMPARABLES

Daubney Street - 3bed terraced, sold STC £89,950.

Combe Street - 3bed terraced, sold STC £90,000.

IMAGES



CASHFLOW & COST

PURCHASE (indication only)			
List Price	£86,000		
Negotiated Purchase Price	£74,999		
BMV %	12.79%		
Discount Saving / Instant Equity	£11,001		
LTV	75%	£56,249	<i>Mortgage Amount</i>
Deposit	25%	£18,750	
Stamp Duty (based on 2nd home)	£2,250	<i>Effective %</i>	3.0%
Legals (est)	£2,000		
Mortgage Broker Fee (est)	£995		
Mortgage Valuation	£495		
Interest Rate	3.5%		
Monthly Mortgage	£164		
Rent per month	£500	<i>Tenanted</i>	
Est Rental Management	10%	£50	<i>Monthly Management</i>
Ground Rent pa	£0		
Service Charge pa	£0		
Limited Company extras	£0	Allow for approx £600 extra if Ltd Co	
Early Redemption %	3%	£1,687	<i>ERF</i>
Yield	8.0%		
Finder's Fee	£3,997		
Contingency	£3,000	<i>put to the side</i>	
6 week Void Period	£984.36	<i>put to the side</i>	
INITIAL ACQUISITION COST	£28,487		
Keep To The Side Contingency	£3,984.36	<i>(Contingency + Void)</i>	
TOTAL PROJECTED MONEY incl Contingency & Void	£32,471.08		
EQUITY POSITION ON MONTH 1	£29,750.75		
NET cashflow per year (pre-tax)	£3,431		
NET cashflow per month (pre-tax)	£286		
ROCE based on cashflow vs initial acquisition cost	12.0%		

POTENTIAL EXIT STRATEGIES

SELL STRATEGY (potential)		REMORTGAGE STRATEGY (potential)	
You bought it for	£74,999		
You put in	£28,487	You put in	£28,487
Property Growth Rate	7.0%	Property Growth Rate	7.0%
Sell After 1 year at	£92,020	Remortgage After 1 year at	£92,020
Profit (pre-tax)	£6,108	LTV	75%
Retrun on Capital (pre-tax)	21.44%	How much of your money do you get back	£11,019.55
TOTAL CASH AVAILABLE	£34,594	% of your money returned to you	39%
		Effectively, you only put in	£17,467.17
Assumptions		New Figures on existing property	
Legals @£2k		Rent Growth	2%
Selling Agent @1%		New Rent	£510.00
Based on Initial Acquisition Cost		New Mortgage Int Rate	3.50%
		New Mortgage	£69,015
		New Monthly Mortgage	£201.29
		New Equity Position	£23,005
		New NET cashflow per year (pre-tax)	£3,092.48
		New NET cashflow per month (pre-tax)	£257.71
		Cash available to spend on new purchase	£11,019.55
		Assumptions	
		Legals @£2k	
		Mortg Broker Fee + Mortgage Val	



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THANKS

Get In Touch

All properties advertised through Castleriver are subject to your own due diligence. While every effort is made to provide reliable information, supported by comparables and other evidence, no description, information or values, whether written or verbal, may be relied upon as a statement or representation of fact. Castleriver accept no liability for the contents of this page, email or any attachment. We advise all of our clients seek financial advice and insist clients conduct their own due diligence prior to commitment.

EXIT STRATEGY

Before proceeding with any property investment, ask yourself:

Why are you buying?

- to remortgage?
- to sell at a profit?
- to secure cashflow?

BUDGET

Understanding what you can afford is a vital step

ALWAYS FACTOR IN

25%+ Cash Deposit

25%+ cash deposit of the purchase price of a property.

Transactional Costs

Sourcing Fees, Legal Fees, Mortgage Broker Fees, Mortgage Valuation Fee.

Exchange Rate Fluctuations

If you are an expat, you must get a handle on this.

Stamp Duty & Exit Taxes

Stamp Duty, Capital Gains Tax, Corporation Tax, Income Tax.

Insurances

Buildings Insurance, Landlord Insurance, Life Insurance.

Repair & Void Periods

Always allow for a 6-8 week void period in a year. Assess condition of property for imminent or future repairs..



ESTABLISH YOUR FINANCIAL SITUATION

Clarify what size of mortgage you can secure

Your affordability needs to be proved. Enlist the help of a specialist. If you want to speak to our mortgage broker, drop us an email at enquiries@castleriver.co.uk



Income Mortgage lenders will want to know what your job is, how long you've been doing it and most importantly how much you're paid for doing it.	Established Identity You must be correctly established in the UK tax system and be ready to complete your self-assessment.	Credit History A bank will want to know how financially responsible you are. TIP: Keep a line of credit open in the UK if you're abroad
Deposit Amount This has to be from savings or accumulated funds, not from a loan.	Proof of ID A lender will need to know exactly whom they are lending money to.	Other Properties Showing experience will count in your favour, but it is not a deal-breaker.

MAKE SURE
YOU LOOK
INTO THIS IF
YOU ARE
BASED
ABROAD

Currency Transfer

- Choose a suitable currency transfer mechanism: as a non-resident of the UK.

Declare and Pay Your Taxes

- Sign up for the Non-Resident Landlord Scheme with HMRC.

Budget

- Budget for repairs, void periods and general maintenance costs.

**A quick tip from
the CEO**



"THE FASTEST WAY TO
BUILD A PROPERTY
PORTFOLIO IS TO USE
OUR "DCG" FORMULA"

Shane Hindocha

WHAT IS THE DCG FORMULA?



Discount



Cashflow



Growth

DCG FORMULA EXPLAINED



● **Discount**

Wherever possible, try to negotiate & secure a discount on your purchase (also known as buying below-market-value / BMV). This gives you in-built equity on Day 1 of purchase & also means that you are buying at a price from the past!

● **Cashflow**

Ensure that your property can be income-generating for you ASAP. The way to look at it is this....although YOU are securing a mortgage on the property, YOUR TENANT is actually going to pay for it!

● **Growth**

Buy an opportunity that is likely to go up in value more so than others. Once you get your head around compound growth, all you have to do is keep the property!



BE DRIVEN BY THE NUMBERS, NOT ALWAYS THE LOCATION

Everyone is looking for the next "hotspot." By the time this "hotspot" hits the news, it is already too late! Concentrate on the numbers instead.



CASTLERIVER HELP
PEOPLE BUILD
PROPERTY INVESTMENT
PORTFOLIOS



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