



PURCHASE AT AUCTION





Lot 5 - 23 West Parade, Norwich, Norfolk, NR2 3DN

A substantial two storey detached property, previously used as a 8 bedroom hostel, in need of some modernisation, benefitting from front and rear garden areas, in a popular residential road, with extension / development potential subject to requisite consents - Vacant.

Guide price: £590,000

Key features

- Substantial detached property
- Previously used as a 8 bedroom hostel
- Front and rear garden areas
- In need of some modernisation
- Extension / development potential subject to requisite consents
- Vacant
- Freehold

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Accommodation and Tenancy Schedule

Ground Floor	Entrance Hallway	Three Reception Rooms,	Two Bedrooms	Two Shower Rooms/WC	Kitchen	Storage
First Floor	Six Bedrooms	Room	Storage	Bathroom/WC	Shower Room/WC	

Acquisition Cost

Purchase Price	£700,000
Stamp Duty	£60,000
Agent's Fee (1.5%+vat)	£12,600
Legal & Misc (1% of PP)	£7,000
Total Acquisition Cost	£780,000

Cash Investment Required

35% Deposit at Purchase	£245,000
Stamp Duty	£60,000
Interest for 12months @ 15% for £455k	£68,000
Agent & Legal	£19,600
Professionals / B.R / Structural / QS / MS, etc.	£5,000
Misc	£12,400
Total	£410,000

Profit



Profit (Estimated)		
GDV (Sale Price)		£1,485,000
Interest on Purchase	£68,000	
Sales Agent + Legal (2%)	£19,600	
Acquisition costs	£780,000	
Development Costs	£253,000	
Total Costs:		£1,120,600
Profit		£364,400

Return on Investment

ROI (Estimated)	
Cash Invested	£410,000
Profit Earned	£364,400
Total ROI	88%
Profit for JV Partner (50% share)	£182,200
ROI for JV Partner	44%

GDV Appraisal



Units Type (HMO 8 Beds)	Units
Ground Floor - No of Bedrooms	2
First Floor - No of Bedrooms	6
Total Units	8

GDV Appraisal - Continued

Gross Development Value (Collective)					
Units	Level	Description	GIA m2	NIA m2	Value
1	Ground	2 Bedrooms, 3 Receptions, kitchen, shower etc	171	171	£769,500
1	First	6 Bedroom, storage, bathroom & shower	159	159	£715,500
Total:		Sale@£4,500/m2	330	330	£1,485,000

Gross Rental Value (Collective)				
Units	Level	Description	Sqm	Value (Rent)
1	Ground	2 Bedrooms, 3 Receptions, kitchen, shower etc	171	£16,800
1	First	6 Bedroom, storage, bathroom & shower	159	£50,400
Total:	@ 4.52% Yield	£700 per Room	330	£67,200

DEVELOPMENT Costs (Estimates)



Item	Description	Amount £
Legals		£5,000
HVAC, Electric drawing	3% of Construction Cost	£5,000
Construction / Refurb	330 sqm @ £600	£200,000
Insurances	For building & Construction	£3,000
Finance Cost	15% @ for £200k for 12m	£30,000
Section106 / CIL	Nil	£0
Contingency	5% of Construction Cost	£10,000
Total		£253,000

LEGAL PACK

Drainage & Water Search	Official Copy (Title Plan) - NK36879.pdf
Environmental Search	Official certificate of the index map
Energy Performance Certificate	Local Land Charges official search
Official Copy (Register) - NK36879.pdf	Local Search
Chancel check certificate	

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