

Waltham Close, NE28



NORTH
TYNESIDE
**DEVELOPMENT
COMPANY**

Portfolio evaluation

Address: Waltham Close , NE28

Description: 2 Bedroom mid link house

Asking price: offers £100,000-£110,000

Achievable market rent and other Info: £550 PCM, chain, EPC C

Agent: Next to Buy

Demand: High

Yield: 3.0%

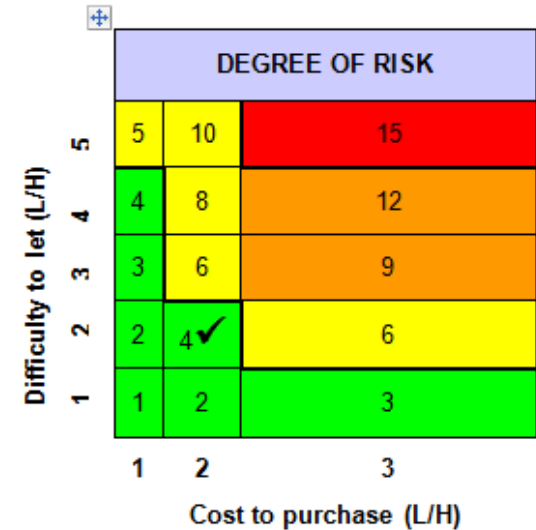
Purchase: Yes



Costs

Purchase	Management	Rent level/yield
Survey: £325	Void and debt: £199	PCM: £440
Legal: £850	Management: £325	PA: £5,280
Stamp Duty: £3,420	Maintenance: £673	Net Rent: £3,870
Refurbishment: £7,560	Life cycle: £213	Yield: 3.0%

Cost/Risk exposure



Degree of Risk	Risk Level
1 to 4	Low
5 to 8	Tolerable
9 to 12	Substantial
13 to 25	Unacceptable



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Refurbishment Allowance

Provisional Allowance	Cost based on KNT Schedules
Provision for rewire	Up to £2500
Boiler Upgrade	£1200
Renew bath and sink taps	£115.60
Property Clean and welcome pack	£142
Renew Wall Fan	£61
Supply and fit smoke alarm x2	£118.30
Supply and fit CO alarm	£48.05
Decorate elements of house	£888.85
Renew Doors and Windows	£1800
10% Contingency	£687
Total	£7,560



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Neighbourhood information

Potential growth: Yes

Stable market: Yes

Vulnerable market: No

NTTC Stock: Yes

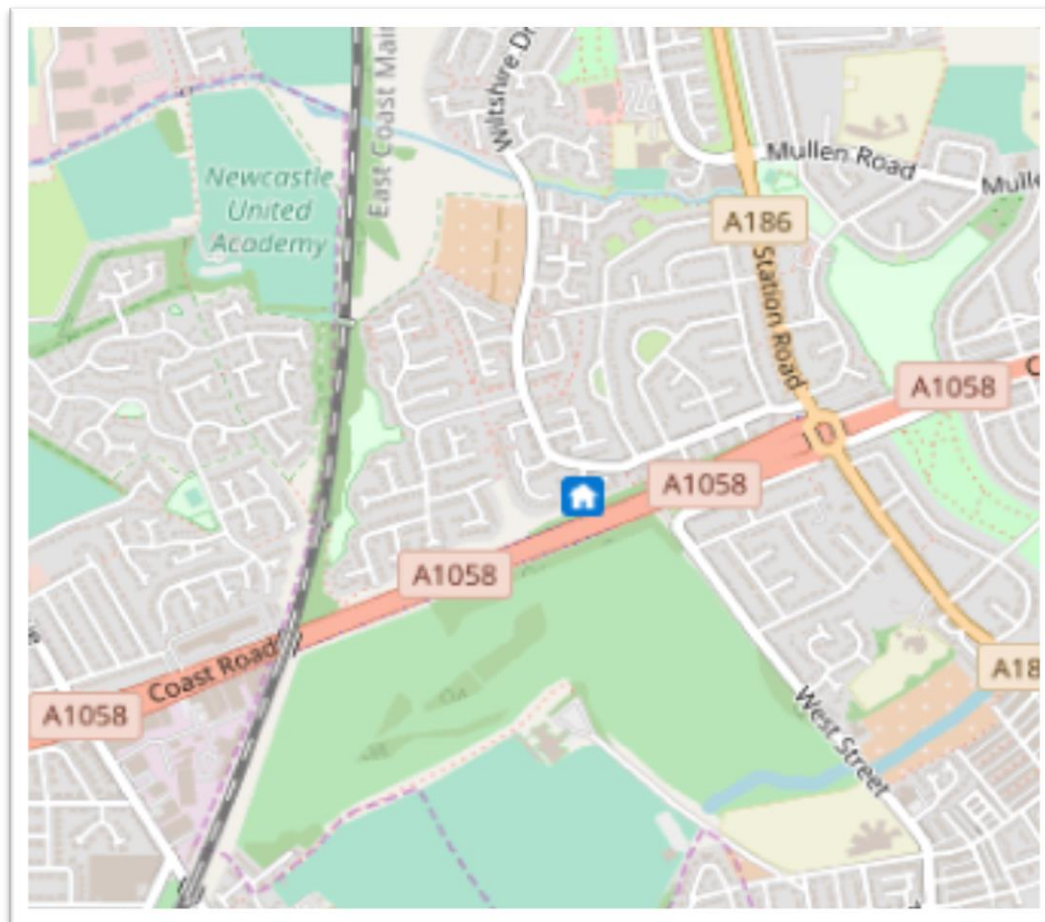
NTC Stock: Nearby

Transport: Bus & Road

Amenities: Battlehill

Healthcare: Battlehill

Schools: Nearby

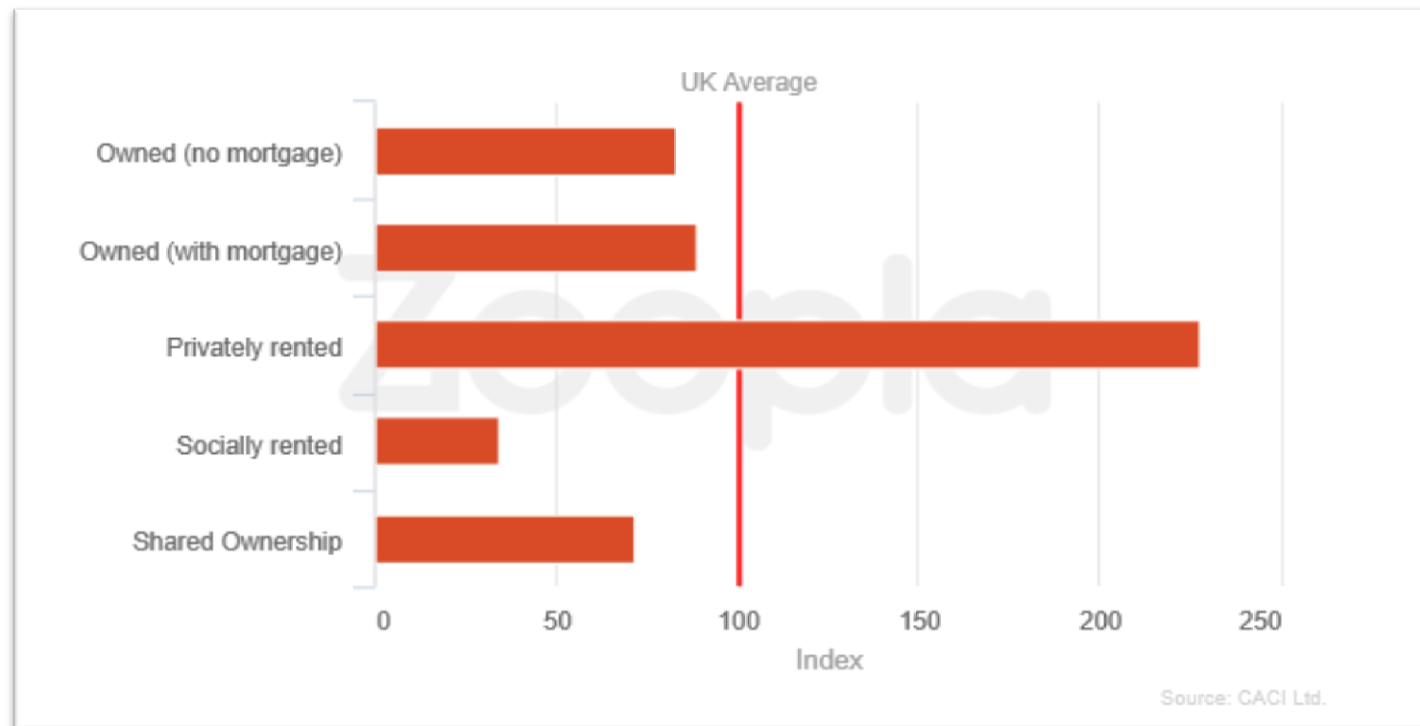


Purchasing Strategy – Pre-requisites

Property size:	2 and 3 bedroom homes	2 Bed
Property type:	Houses are preferable to flats	House
Property age:	Preferable 1980s - new build	Yes
Tenure:	Freehold or long leasehold (999yrs). If a house is on a shorter lease any offer made will be subject to the freehold being purchased by the seller prior to completion	Freehold
Possession:	All offers subject to vacant possession on completion. Offers will not be made on tenanted properties where a current tenant wishes to stay insitu	No chain
State of repair:	No major works required. All offers made are subject to survey	Some updating required
Key attributes:	Healthy demand for rental homes in the area	High demand area

Further information

The property is in a mixed tenure area and popular area for private renters. Market advice from local agents indicate that this a strong housing market and popular rental area.



Recommendation and Purchasing Strategy

This property is in the popular development of Redesdale Park in Wallsend not far from the company's property at Ribblesdale.

Demand for rental property in the area is strong and the area has good road and public transport links. Local agents report that similar sized privately rented accommodation in the area is commanding a rent of £550 PCM.

The property also has an allocated parking space and private garden. The agent has advised the property is freehold and there is no onward chain. The property would be a great starter home or ideal for someone who is looking to downsize.

Its is recommended that the Company approves an offer limit of £114,000 to achieve the minimum 3.0 % yield.

Board Decision

Proceed: Yes	No	Envelope (£): starting.....	max.....
Signed.....		Date.....	
Signed.....		Date.....	
Signed.....		Date.....	