

Wimslow Close, NE28



NORTH
TYNESIDE
**DEVELOPMENT
COMPANY**

Portfolio evaluation

Address: Wimslow Close, NE28

Description: 2 Bedroom mid link house

Asking price: offers over £109,950

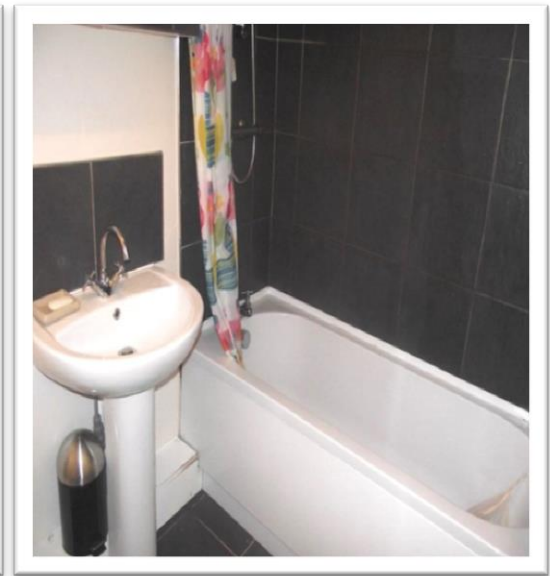
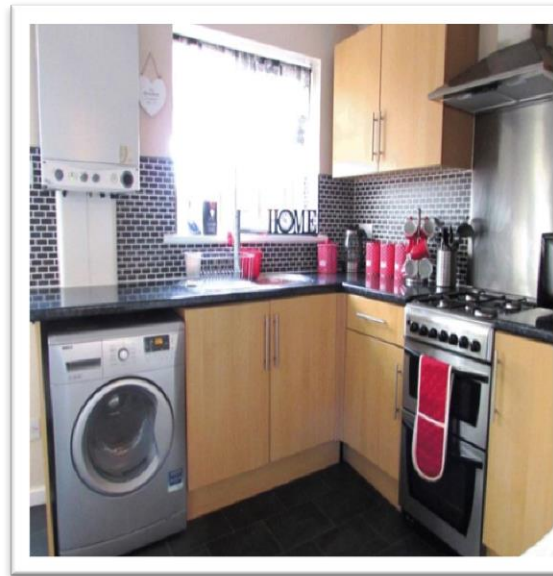
Achievable market rent and other Info: £550 PCM, chain, EPC D (under review)

Agent: Mike Rogerson

Demand: High

Yield: 3.0%

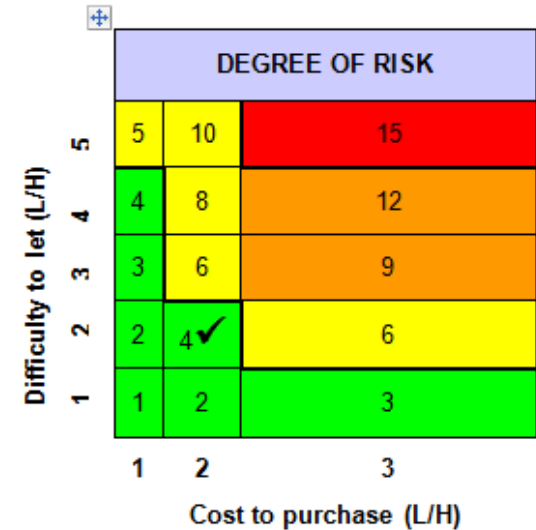
Purchase: Yes



Costs

Purchase	Management	Rent level/yield
Survey: £325	Void and debt: £199	PCM: £440
Legal: £850	Management: £325	PA: £5,280
Stamp Duty: £3,360	Maintenance: £673	Net Rent: £3,870
Refurbishment: £5,765	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

Refurbishment Allowance

Provisional Allowance	Cost based on KNT Schedules
Provision for electrical safety	Up to £1500
Provision for boiler	Up to £1200
Renew Fascia/Bargeboard x 2	£104
Electric fan	£61.72
Property Clean and welcome pack	£142
Provision for renew sink top/kitchen units	Up £315
Supply and fit smoke alarm x2	£118.30
Supply and fit CO alarm	£48.05
Decorate elements of house	£910.85
Renew/repair windows	£903
10% Contingency	£524
Total	££5765

Neighbourhood information

Potential growth: Yes

Stable market: Yes

Vulnerable market: No

NTTC Stock: Yes

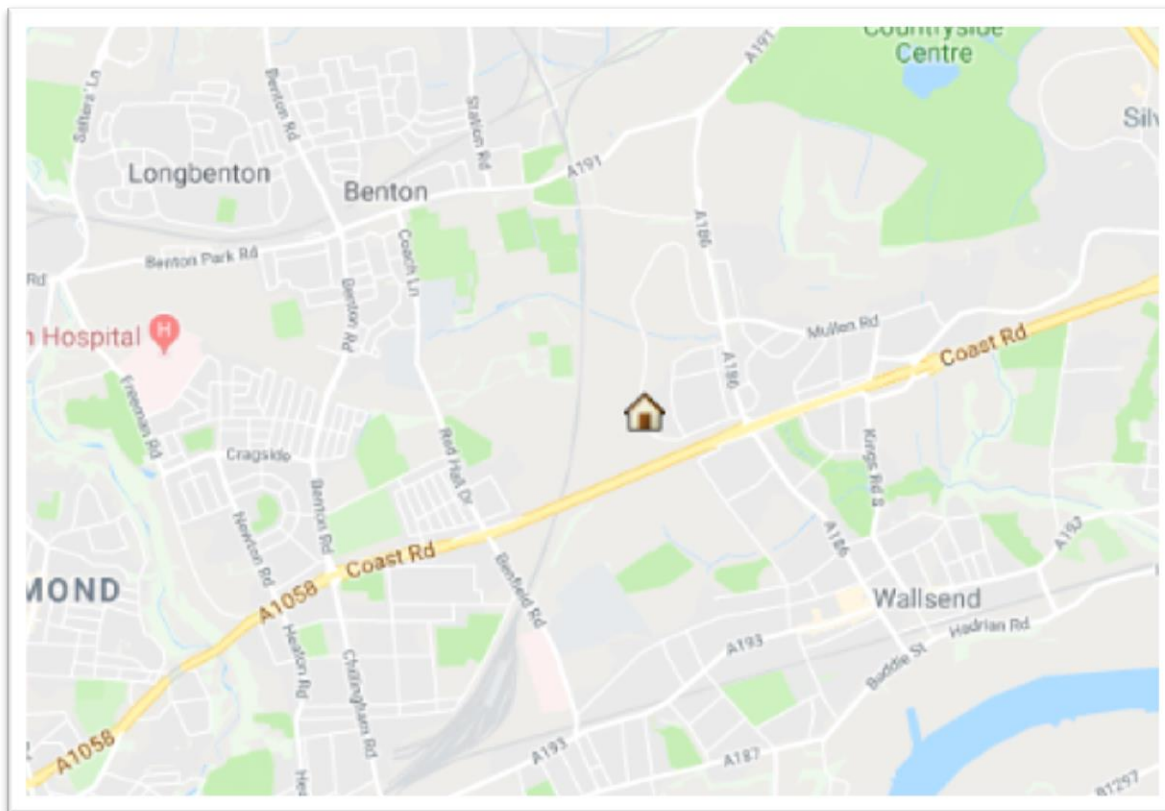
NTC Stock: Nearby

Transport: Bus & Road

Amenities: Battlehill

Healthcare: Battlehill

Schools: Nearby

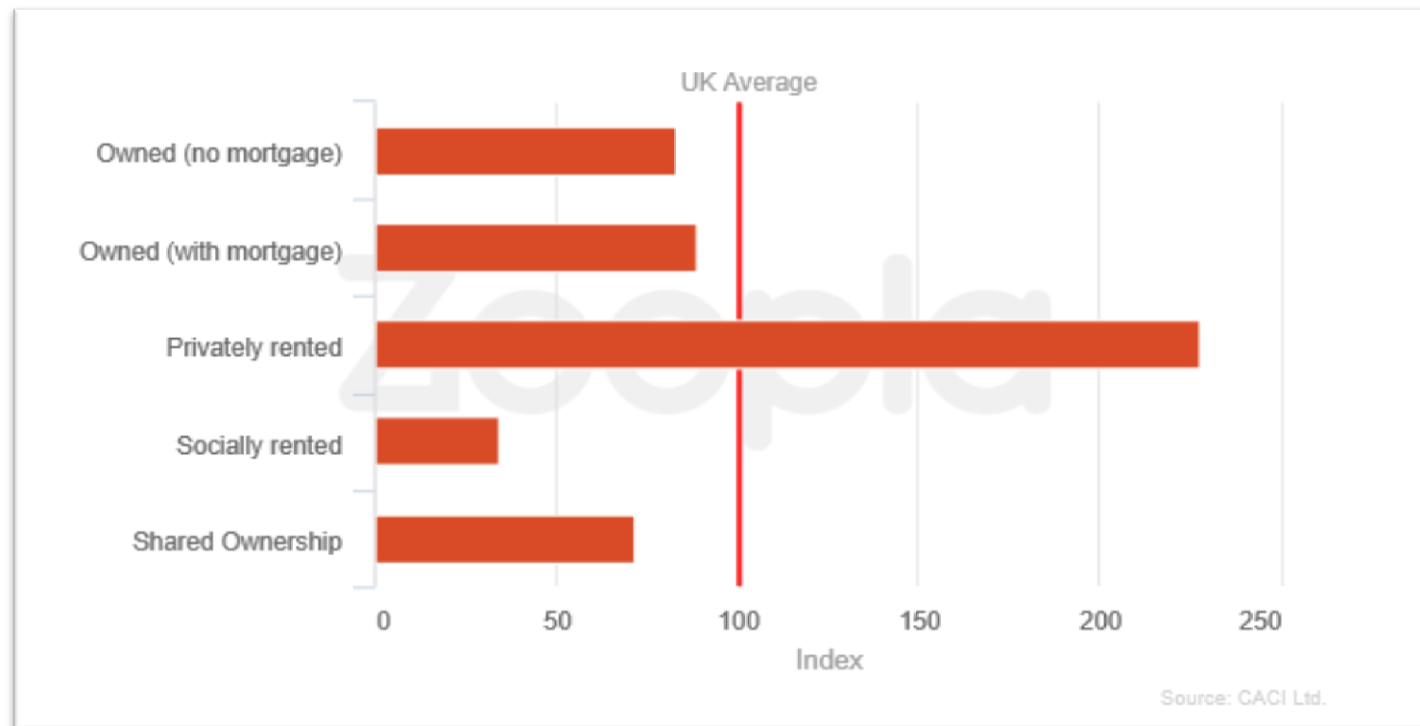


Purchasing Strategy – Pre-requisites

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 but tenanted until December
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 is a strong housing market and popular rental area.



Recommendation and Purchasing Strategy

This property is set in the Hadrian Lodge area of Wallsend. Demand for rental property is strong and advice from local agents indicate an achievable market rent of £550PCM. The property has an allocated driveway and enclosed rear garden.

The vendor is a private landlord and although there is no onward chain (the current tenants are moving to a new home at Benton Rise) the current tenants do have an agreement until December 2018. The agent has advised the property is freehold.

The property has good road and public transport links and provides an ideal starter home or for families looking to downsize. It is recommended that the Company agrees to an upper bid of £115,000 to achieve the minimum 3% yield.

Board Decision

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