

PROPERTY SPECIFICS

**CLAPHAM, SW6 London**

House / Flat: 3 Flats  
 Bedrooms: 2,2,1  
 Freehold / Leasehold: Freehold

Property summary: This already converted terraced house was bought on auction in a run down state. There was refurbishment potential as well as an opportunity for an side return extension to the ground floor. It is situated close to Clapham North Underground station, Clapham High Street Overland, as well as a range of useful bus routes. The property is close to Clapham High Street central shopping areas and parks and therefore has excellent ongoing rental potential.

DEVELOPMENT SPECIFICS

Purchase price: £ 601,857      Development cost: £ 226,176      End value £ 1,025,000  
 Original Size (ft<sup>2</sup>): 1,475      Extension area (ft<sup>2</sup>): 150      Extended Size (ft<sup>2</sup>): 1,625  
 Purchase cost per ft<sup>2</sup>: 408.0      End value per ft<sup>2</sup>: 630.8

Development comments: The dilapidated property was stripped and modernized to a very high standard. The redecoration included plastering ,plumbing and rewiring throughout. An extension was put onto the ground floor.

INVESTMENT OUTLAY

£

Purchase price	601,857	on the 30 September 2009
UKPS sourcing fee	11,200	
Development cost	226,176	
UKPS refurbishment markup	45,235	
<b>Total cost after refurbishment</b>	<b>884,468</b>	

Investment comments: The property was purchased with cash and no external funding was required by the investor.

ANALYSIS OF THE ONGOING INVESTMENT OPTIONS

<b>SALE</b>	<b>Suggested sale value</b>	<b>1,025,000</b>
	<b>Resultant gain on sale</b>	<b>140,532</b>
	ARR over development period	19%

**HELD FOR RENTAL**

<b>Annual rental</b>	<b>56,400</b>
Less: management fees	2,256
	<b>54,144</b>
ARR on investment	6.1%

Project comment: Property is still under development. Great deal of interest has been shown by potential buyers and the properties will either be sold or let on completion.