



UK Investment Properties

2-Bed House

£52,995

Rent £4,240 /Year

2-Bed Large House

£59,995

Top Deal

Rent £4,800 /Year

3-Bed House

£69,995

Rent £5,600 /Year



Find UK Property

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What We Do

Find UK Property are the 'buyers' agent and specialise in helping serious overseas buyers find the most suitable UK property for their needs - at the lowest price. Most of our overseas buyers can be grouped into two main categories – those looking for investment properties and those looking for a property for their 'own use'.

Investment Properties

Many overseas buyers are looking to the UK for a secure place for medium to long-term investment. They are not looking to immigrate into the UK immediately, but simply wish to grow their money securely and with the least amount of hassle. They are looking for a company who offers a complete solution; this includes finding investment property, dealing with the purchase process and lettings and management, paying the net rent to them, dealing with UK authorities and possibly managing the future re-sale of the property. Some of them may wish to come to the UK in the future and even re-sell their investment properties to buy an 'own use' property.

Our low cost investment properties are ideal for this purpose. These properties deliver amongst the best net rental yields in the UK and are expected to grow well in capital value over next few years. Rather than purchasing ONE more expensive property, it is far better to purchase multiple, smaller, lower cost investment properties for the same budget. This will deliver better overall net rent, greater capital growth, less risk and more flexibility.

Our group of companies are able to provide you with a complete property investment solution. We acquire suitable investment properties, rent them out, and then sell them to overseas investors in a secure way. We have systems in place to significantly reduce risk; the use of official client accounts, and the appointment of knowledgeable solicitors to do local searches and complete registration under the buyer's name at the UK Land Registry. Thereafter, we normally continue to manage the properties on their behalf and provide regular statements and net rental

payments into their accounts. This way we control all aspects of the process and have full accountability to the buyer, making the purchase and management process much easier. Clients of our partner company, Sandcastles, are also given the same levels of service, and, when they visit the UK, we help them with property viewing, the purchase process and provide post-purchase property management. We can help you buy even if you are not able to visit the UK right now (investment properties only) as ID documents can be attested by a lawyer in your own country.

'Own Use' Properties

In some cases, overseas buyers may be looking for a property for their own use. Such properties are not owned by our group of companies and are only available in the third party re-sale market. In such cases we act as 'Buyer's Agent' to find the most suitable property for you in the UK. Where we act to find you properties from third party sellers and agents, we normally charge a fee, a portion of which may have to be paid up-front as a registration fee. Such a fee is not charged for investment properties purchased from us or from our group of companies.

The steps involved in search for 'own use' properties are as follows.

- Find out your requirements.
- Search for suitable 'own use' properties.
- Produce a short-list.
- Accompanied viewings & selection.
- Help with negotiations for best price & terms.
- Oversee the transaction process to completion.

Only buy such a property if you definitely plan to use it yourself and are relocating to the UK right now. If you are unsure, buy an investment property or multiple investment properties instead and re-sell them later, if required, to get an 'own use' property. Although there are exceptions, an 'own use' property will typically cost more, have lower rental yields, more running costs, higher risks and will be harder to re-sell. Further, they usually have lower capital growth

than the commodity low cost 'Best Buy' investment properties shown in this brochure.

In some cases, for 'own use' properties, we may simply give you advice and refer you to local estate agents who may be more familiar than us with your desired location. If that is the case, we will tell you that we cannot deal directly with your property search but will still provide help and advice.

Why Use Us

Searching for a suitable UK property on your own can be time consuming, stressful and costly. It can take a long time to get a full picture of what is on the market and what represents fair value, especially if you are based overseas. Without detailed knowledge of the market, you may end up wasting your precious time in viewing properties that do not really meet your requirements. In the case of investment properties, after purchase you will need to deal with renting and property management too.

Our investment properties provide a complete solution for many overseas buyers and represent great value for money. These are by far our best-selling properties.

When it comes to 'own use' properties, our service eliminates the stresses of house hunting, speeds up the process, and helps secure UK homes at the right price. We filter out properties that meet your requirements, such that your precious time is not wasted. Our reputation as leading 'UK Property Finders' and our relationships with UK estate agents means that we get priority and often get to know about properties that have not yet come onto the market. We have knowledge of the property buying process and the costs involved in extensions, planning permissions and repairs; thus, we can advise you appropriately.

Overall, we save you time and money by making sure you get a property appropriate to your needs.

The Award Winning Agency

We are fully licensed members of the Association of Estate Agents. Our staff have been accredited by the National Federation of Property Professionals and one of our staff members was officially recognised by NFOPP as achieving the highest marks amongst all UK Estate Agents in 2012.



Customers can have the confidence of knowing that they will be dealing with a company that has undertaken to treat them fairly if problems arise and deliver customer service significantly beyond the requirements.



Winner & Highest Achiever in
"UK Residential Property"

Writing in "Property Professional Magazine", the official magazine for accredited members of National Association of Estate Agents and other UK Property Associations, Tariq Mohammed, a director of Find UK Property, said "We are really delighted in winning the Highest Achievement Award in **Sale of Residential Property**. Our company sells UK properties to overseas investors. Such buyers want to deal with professional and knowledgeable property consultants and this award will further help us, by showing that we have well-trained staff."



Property Professional – Nov/Dec 2013 Issue pages 62-63

About Us

The UK's leading property specialists for overseas buyers.

Part of a Large Group

Find UK Property is part of a large group of companies specializing in International Property Sales and Property Management. The group operates from the 26 acre business park (Time Technology Park), where we have our UK offices in Lancashire. The group has been established at this site for over 25 years.



Dedicated Sales and Admin Teams

Find UK Property specializes in UK investment properties and luxury 'own use' properties. Although we are part of a large group, we have small dedicated teams dealing with customer sales and administration to provide a very personal service. Our UK Sales team comprises Senior Property Consultants with many years of experience of the UK property market.



Group Head Office Building - UK



Admin & Sales Desks

We have a policy whereby our most senior and experienced staff deal with customers directly and aim to answer most calls and emails, as we appreciate that overseas property purchase is a major decision for most people. The Admin team provide support with regards to all agreements,

payments for property, client account statements and property management updates.

Usually, your main contact will be one of the Senior Consultants or a Company Director. Whilst other staff will work on your property, senior staff will accompany you to key viewings and keep you updated with all aspects of your property search and the buying process.

Middle East HQ

Our partner company 'Sandcastles' in Dubai, UAE is responsible for all of the marketing and customer acquisition for investment properties that are purchased by overseas buyers. Our sister company 'Openshore Property' sells property in Dubai to buyers from all over the world - see www.openshoreproperty.com. Sandcastles has agreements with many worldwide property developers and sellers, and thus, we can benefit from this relationship, especially for investment properties. Even if you are a Sandcastles client buying investment property in the UK, when you visit the UK, Find UK Property will help you with the property viewing and purchase process. We will provide an excellent level of service to property purchase completion, and also help with post-purchase full property management.

UK Office

Our UK offices are 45 minutes from Manchester International Airport. Please contact us prior to arranging a visit.



Investment Property

What We Do

We provide low cost investment property with full management and guaranteed rent for overseas buyers.

The UK is one of the world's best areas for secure property investment. Prices on UK property are now lowest within the last 7 years and rental returns are good, with up to 8% rent on low cost properties. Now prices are expected to rise in line with economic recovery in the UK and prices on lower cost properties could double within the next 5 years.

Find UK Property provides a complete service to overseas property investors in the UK. Our view is that lower cost terraced houses of £50,000 to £80,000 provide the best value for investment and will produce the best capital and rental growth over the long term.

'Best Buy' Investment Properties

The 'Best Buy' investment properties listed below are already rented out and managed by us. They are of low cost, give high rental yields, come with 2 years guaranteed rent, are expected to grow well in value over the next few years and are easy to re-sell. We continually acquire, rent out, sell and subsequently manage such property. These are the most popular purchases made by overseas buyers.

Location

Traditionally there have always been **two** popular investment hotspots – London and the North West of England (Manchester, Liverpool Leeds region). London is very expensive and rental yields are much lower; thus, the best area is the North West of England, as shown on the map below.



Therefore, 'Best Buy' investment properties are not based in London (property in London is already very expensive with low rental yields of about 4% and low future capital growth). These properties are located in high rental demand residential areas of Lancashire towns, about 40 minutes north of Manchester Airport. Shown below is an aerial view of a typical town in this region.



A typical Lancashire town consists of terraced properties near the town centre, and more expensive semi-detached and detached properties in the suburbs. Rental demand is highest for the terraced low cost properties. Below is an aerial view of a typical town area near the centre with terraced properties.



Terraced properties that are located closer to shops and main roads, and are walking distance from the town centre or have good bus routes, are

best for investment; thus, we always acquire these properties as we have to provide guaranteed rent.



A typical terrace consists of rows of 2-bed or 3-bed houses as shown in the picture below. In the past year alone, over 250 such properties have been sold to investors. If you are not sure which UK property to buy, then buy one of these. The most popular types (our Best Buy offers) are listed below on this page.



Guaranteed Rent Option

The Guaranteed Rent option means that you get the rent even if your property should become vacant or if your tenant does not pay the rent. The guaranteed rent is normally paid at 7% of the property price per year. The Standard Management option gives you rental at approximately 8% of the property price, but you don't get rent for any vacant periods if the tenant leaves; 8% is a very good figure for the UK market. You can select to choose either the Standard Management option **or** the Guaranteed Rent option at the beginning of each year, and can fix the guaranteed rent for 2 years on the property purchase if you wish. Guaranteed rent provides additional re-assurance to investors and is popular amongst overseas investors as it gives them

certainty of income. You can continue with the guaranteed rent option even after the first 2 years.

Purchase Costs

Purchase costs can vary significantly when buying property in the UK. For these low cost properties, we have negotiated with suppliers and professionals to provide a fixed price to investors; thus, you can budget appropriately. The costs vary from £795 to £995 depending on the property selected and include:

- Solicitor fees
- Local search fees
- 12 month building insurance
- Registration fee for Lands Department
- Stamp duty is not payable for these low cost properties

Viewing Visits/Tours

Since these investment properties are very popular, it is difficult for us to deal with the volume of speculative enquiries and arrange viewing for everyone. After your identification, we aim to provide as much information as possible by email to enable you to make a provisional decision. Thereafter, you can decide whether a visit to the UK is worth pursuing. We can provide the following service free of charge only to serious customers who are likely to proceed following the viewings and the meetings in the UK.

- Land at Manchester or Liverpool Airport, or if coming from London, come by train from Euston to Preston (2 hour journey).
- We collect you from the airport, railway station or your hotel.
- Have a meeting with you at our offices to discuss your purchase.
- Show you the selected properties.
- Meet solicitor and attest documents if required.
- Agree a plan of action for after your visit.

Buying Process

The 'Purchase Process' and 'Questions and Answers' sections at the end provide detailed information regarding the buying process.

Best Buys for Investment

- Offer A: Small 2-Bed House **£52,995**.
- Offer B: Large 2-Bed House **£59,995**. This is the **best** to purchase if you are not sure.
- Offer C: 3-Bed House **£69,995**.

See details on following pages

Offer A: 2-Bed 'Best Buy' Houses -£52,995

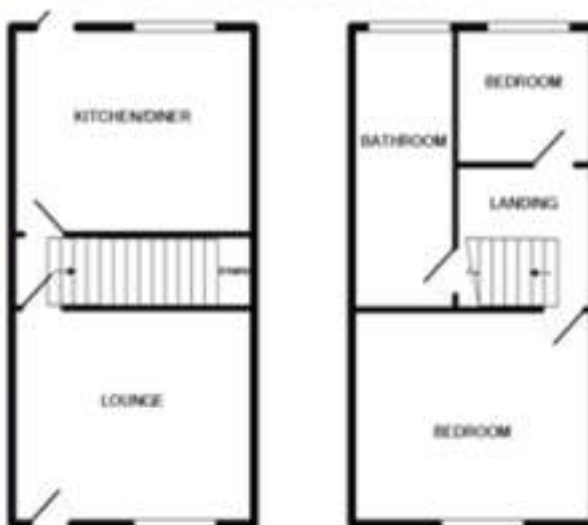
Terraced 2-bedroom houses with over 8% rental yield with a rent of £4,240 per year. Available with 2 years guaranteed rent option and fixed total purchase fee of £795 (includes solicitor fees, local searches, 12 months insurance and title registration at Land Registry). Two rooms downstairs (lounge and combined dining

room/kitchen) with rear yard, two bedrooms upstairs and a 3 piece bathroom. Only 40-50 minutes from Manchester airport. Prices are now rising and could double in the next 5 years. Our best-selling house with approximately 20 sales every month.

Many units available. Prices vary with rental yield. Price range £49,995 to £55,000. Rent range £3,995 to £4,400 per year.



2-Bed House



GROUND FLOOR

1ST FLOOR



Floor-plan & room layouts/fittings may vary a little in each house

Offer B: 2-Bed Large Houses - £59,995

Larger terraced 2-bedroom houses with over 8% rental yield and rent of £4,800 per year. Available with 2 years guaranteed rent option and fixed total purchase fee of £895 (includes solicitor fees, local searches, 12 months insurance and title registration at Land Registry). Three rooms

downstairs (lounge 1, lounge 2 and separate kitchen) with rear yard/garden, two larger bedrooms upstairs and a 3 piece bathroom. **All rooms are larger** - Only 40-50 minutes from Manchester airport. Prices are now rising in the UK.

Many units available. Prices vary with rental yield. Price range £58,000 to £64,000. Rent range £4,660 to £5,120 per year.



2-Bed Large House



Floor-plan & room layouts/fittings may vary a little in each house

Offer C: 3-Bed 'Best Buy' Houses - £69,995

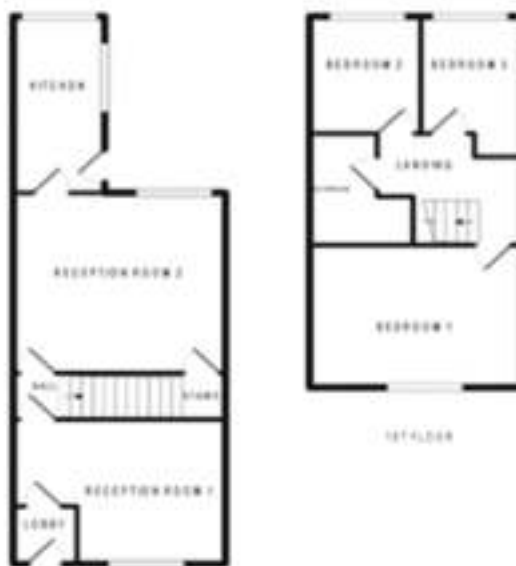
Terraced 3-bedroom houses with over 8% rental yield and rent of £5,600 per year. Available with 2 years guaranteed rent option and fixed total purchase fee of £995 (includes solicitor fees, local searches, 12 months insurance and title registration at Land Registry). Three rooms

downstairs (lounge 1, lounge 2 and separate kitchen) with rear yard/garden, three bedrooms upstairs and a 3 piece bathroom. Only 40-50 minutes from Manchester airport. Prices are now rising in the UK.

Many units available. Prices vary with rental yield. Price range £66,500 to £74,500. Rent range £5,320 to £5,960 per year.



3-Bed House



Floor-plan & room layouts/layouts may vary a little in each house

More on Investment Properties

Why are these Properties the Best for Investment?

Here are just some of the reasons why we recommend such properties:

- High rental yield due to rental demand.
- Low cost due to fall in prices in 2007-2009.
- Good capital growth potential as the economy is now recovering.
- Already rented out (no renting costs to you).
- Guaranteed rent option for first 2 years, for peace of mind.
- Secure purchase process with defined verifiable stages.
- Low purchase fees that are fixed so you know what your costs will be.

The chart on the next page shows that, on average, properties were selling for £50,000 in the year 2000, after which the prices rose, fell and now are expected to rise again.

Our view is that sub £100,000 properties (away from London) are the best for investment as they not only deliver the best rental yield but are now also expected to grow the most in terms of capital value.

Holiday Use

The best way to use your property is to keep it rented out all of the time and to use the rental income for your holidays and visits to the UK. This is more cost-effective and allows you to have your holiday anywhere in the country, in accommodation of your own choice. Trying to use your property for holidays is **not** cost-effective and actually ends up costing you more!

Future Own Use

If you relocate or decide to live in the UK, and need a property for your own permanent use, then the best thing to do is to re-sell these investment

properties and get an 'own use' property in your desired location. We can help you do this. In the mean time, your funds would have grown at a good rate.

Mortgages

Mortgages are **not** available to non-residents of the UK; hence, buy-to-let mortgages will not be available upfront for these properties. However, re-mortgages may be available from certain lenders after property purchase (usually after 6 months of property rental with history of rent). This may enable some investors to release part of their funds in the future to acquire more property if needed. In the future, mortgages may be available to investors; however, at present you will need to ensure you have sufficient funds.

Residency in the UK

Purchase of any property in the UK does **not** give you any residency, work rights or permanent visa in the UK. As an investor, it will be easy for you to obtain visit visas but you do not get automatic residency or ability to work in the UK.

Beware of Student Room Investments

These are single rooms within student flats and sold as leased investment units. The properties are built by builders and developers, sold by sales companies and managed by different student management companies. The rooms can only be rented out by the management company – you cannot use them or rent them out yourself. They can only be re-sold to another investor who agrees for them to be continued to be used as student-only accommodation.

Whilst there are some projects that offer good value, many do not due to high management/service costs and short leases (student properties are not freehold). Prices are inflated with a single mini bedroom in a shared flat costing around £50,000 and they cannot be sold to anyone other than an investor. Thus, the market re-sale value may not rise (and can fall). Typically, these are sold by aggressive sales agents who do not have

control over the property and no subsequent contact with the buyer. We have had many customers who have contacted us wanting to exit such investments and were prepared to do so even at a loss. Future demand may be an issue; Universities have stated that UK student applications for 2014 are significantly lower than last year.

Student rooms are not really comparable with freehold houses and would be impossible to sell without the guarantees made by the companies advertising them. Unfortunately, such guarantee wording is drafted in a way in which there is a 'get-out' for the developers, managing companies and sales agents in case the yields and growth are not achieved. This means that it is in fact the investors that carry the risks. We have sold these rooms in the past and they are not the risk-free investments many of these companies claim them to be.

With the student investments, there can be several parties involved - properties are sold by the commission based sales company, they are purchased from the developer or builder, and the student management company who you will be dealing with is completely different. When you purchase a standard house with our help, we are responsible and liable for all aspects of the purchase, rental and management; we remain your contact for the life-time of your investment.

The best student property to buy is a standard house near a College or University. Standard UK houses can be sold to anyone (or used by yourself) and are now increasing in value at record growth rates.

'Under-Construction' Property

Take extra care when purchasing an investment property that is yet to be built or is under construction. The risks with such properties remain high. The project could be cancelled, and there can be delays in completion and then in renting the properties out. Prices are often inflated by developers as properties are difficult to compare. For investment, only consider property that is built and already rented out. Buy from a company that has control over the property and

who remains responsible to you after the sale. Again, there are exceptions and some of these properties can be suitable, especially for your own use.

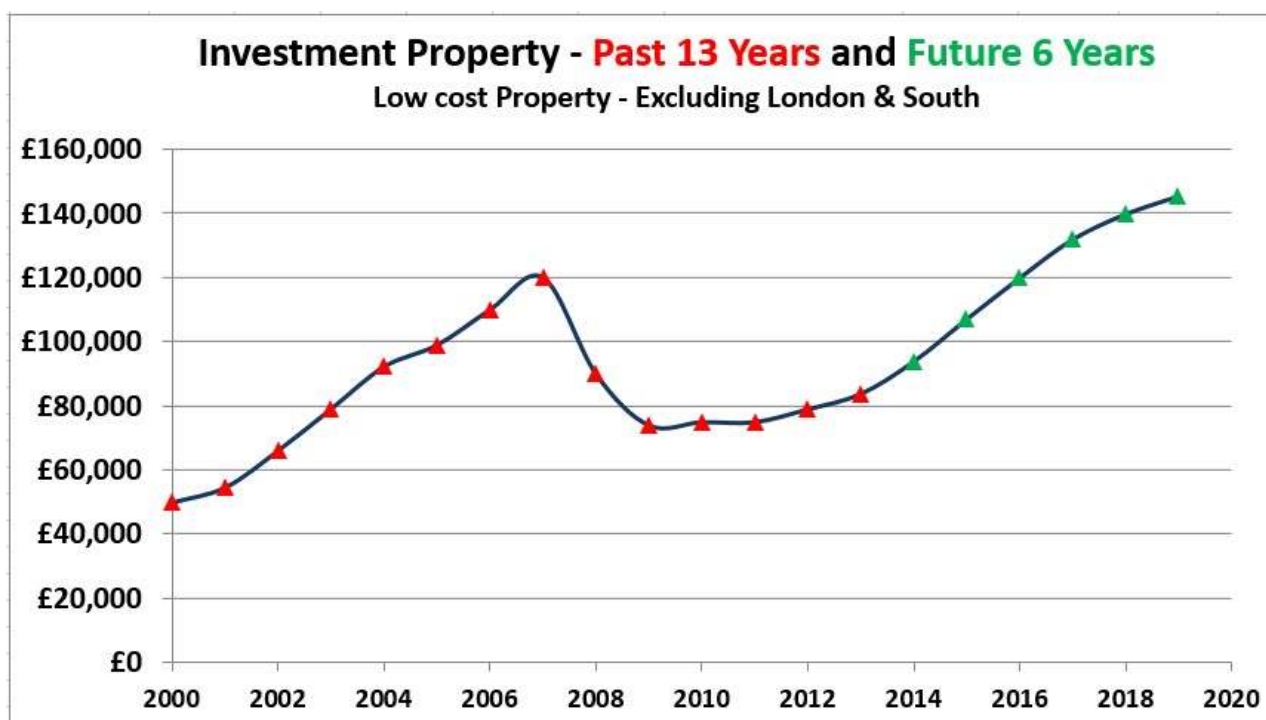
UK Property Market

Investment Property

In the UK, the best properties for investment are the smaller, lower cost properties. The reason is that these properties are in high demand for rental and thus deliver the best rental yields.

The chart below shows the average selling prices of properties. In the year 2000, the average price was £50,000, after which prices rose until 2008 and then fell sharply. Prices are expected to rise again (shown by green triangles).

Thus, our view is that sub £100,000 properties (away from London) are best for investment as they not only deliver the best rental yield but are now also expected to grow the most in terms of



capital value.

Unlike other countries, in the UK small houses are more popular than apartments, and, if well managed, deliver better net rental returns.

Our experience has shown that small terraced houses in high rental demand areas (where there is a shortage of housing or where people cannot afford to buy and thus have to rent), are delivering the best rental yields of over 8%.

Prices for such low cost properties fell sharply from 2007 to 2009 following the financial crisis. Prices have been stable over the past 4 years but are now rising; the rate of increase is increasing due to the economic recovery. Some forecasts suggest a rapid catch-up rise followed by more steady growth over the next 6 years.

Comparison of Investment Property in 3 Areas

The table below shows a comparison of different types of property in 3 different areas. The 3 areas are:

- North West
- West London/Heathrow
- Sothern towns

For the same size and specification of property, prices in the North West near Manchester are much lower and rental yields are much higher. For the same price of a 2-bed terraced property near London you can purchase **four** such properties in Lancashire and receive more rent, better forecast capital growth and greater flexibility.

1. NORTH WEST

These properties are in the North West where property prices are depressed and future capital growth is likely to be strong. These include Manchester and Lancashire Towns. This is the most popular area for our investors.

Manchester/Lancashire/North West

Type of House	Price	Rent	% Yield
4-Bed Semi Detached	£115,000	£8,000	7.0%
4-Bed Terraced	£79,995	£6,400	8.0%
3-Bed Semi Detached	£99,000	£7,200	7.3%
2-Bed Semi Detached	£89,000	£6,500	7.3%
3-Bed Terraced	£69,995	£5,600	8.0%
2-Bed Terraced Large	£59,995	£4,800	8.0%
2-Bed Terraced Small	£49,995	£4,000	8.0%

2. WEST LONDON/HEATHROW

These properties are around Heathrow, extending from Slough along the M4 Corridor to West London. Rental demand and rental yields are better than other areas of London and future capital growth will be helped by the Cross-Rail Link which is under construction. Property in central London is too high to even consider. London Proper is more expensive with even lower rental yields.

West London/Heathrow

Type of House	Price	Rent	% Yield
4-Bed Semi Detached	£310,000	£15,000	4.8%
4-Bed Terraced	£260,000	£14,000	5.4%
3-Bed Semi Detached	£255,000	£12,400	4.9%
3-Bed Terraced	£210,000	£11,600	5.5%
2-Bed Semi Detached	£245,000	£12,000	4.9%
2-Bed Terraced	£189,000	£10,500	5.6%

3. SOUTHERN UP-MARKET TOWNS

These are the popular English Towns like **Oxford, Cambridge, Canterbury, Bath** etc. These locations are good for own use property – not investment. Prices are similar to West London and rental yields are lower.

Oxford / Cambridge /Southern Towns

Type of House	Price	Rent	% Yield
4-Bed Semi Detached	£300,000	£14,000	4.7%
4-Bed Terraced	£250,000	£13,000	5.2%
3-Bed Semi Detached	£250,000	£11,500	4.6%
3-Bed Terraced	£200,000	£10,600	5.3%
2-Bed Semi Detached	£230,000	£10,700	4.7%
2-Bed Terraced	£180,000	£9,600	5.3%

Key Facts

1. North West properties are less than one third of the price of West London and Southern Towns for similar type and size of property.

2. Rental yields are almost double in the North West as property values are depressed. Demand for rental property is high. Currently more residents are looking to rent than buy

3. Rental yields decrease as property price increases and this trend applies to ALL areas. The smallest properties are the best for investment.

4. Terraced properties are lower cost and give better rental returns than semi-detached and detached, which are popular for own use.

These are the reasons why our best-selling investment properties are 2-bed to 3-bed terraced houses for around £50,000 to £80,000.

If your budget is larger it is better to buy multiple lower cost properties than one more expensive property in London.

UK Property Buying Process

The buying process for the purchase of investment property is similar to that of purchasing 'own use' property from third party sellers; however, it is simpler and can be completed in a shorter timescale.

Buying Investment Property

The process for 'Best Buy' properties is simpler as there are no third parties involved, and the rental and management of the property does not change as it continues to be managed and rented out by us. There is no mortgage lender involved as overseas non-UK residents do not qualify for an investment buy-to-let mortgage upfront. The prices are fixed (in-line with the market and rental yield), and a prior reservation agreement provides security and certainty for us and you in the purchase process. Thus, the process is quicker and the buyer starts getting guaranteed rent 1 month after full payment.

Here are the steps involved:

1. Discuss your requirements

Give us a call to discuss your requirement. Is investment property in the UK right for you or not? We aim to provide you with good honest advice and will tell you if such a property will not meet your needs.

2. Select the investment property

This will depend on your budget. If your budget is low, then select the standard 2-bed terraced property.

Please note that within each type of property there are many, almost identical, units available within a narrow price range depending on rental yield. The slightly more expensive properties have slightly more rental.

If your budget is much higher, you may wish to purchase multiple properties. In such cases, it is best to purchase one property first, and go through the purchase process to completion and then purchase additional units. You should be able to provisionally select an investment property on the basis of information on this site, and then fine tune and finalize your selection after discussions and property viewing.

3. Provide ownership and ID information

First, you need to decide if the property is to be purchased by a single owner or multiple owners. If multiple owners (e.g. husband and wife) are involved, you will need to consider the type of joint ownership. Most investors go for single person ownership as this keeps things simple.

Your ID information will be required *before* we can start dealing with you, showing you any property and providing official quotes or draft agreements. This is regulatory requirement in the UK, and some overseas buyers do not appreciate this. You can scan and email this personal information to us. We are required by Law to keep all such information confidential. The ID information required will be:

- -Passport copy (photo page)
- -Address ID e.g. driving licence, ID card or utility bill
- -Bank statement

We will also need to know the source of funding – normally this is from 'savings' or 'business profits'. Prior to exchange of contracts, your solicitor will also need to see these documents; if you are not present in the UK, we will need attested copies prior to the exchange of contracts.

4. Get Information Pack

Once we have your ID information, we can provide more specific details, clearly laying out how the purchase process will proceed in your particular case, along with a draft Reservation Agreement.

5. Visit to the UK

Most investors will visit the UK, either prior to or after purchase. This will allow us to meet you at our offices and you can view the properties. We

can also get your documents attested by a UK solicitor, as identification is required for exchange of the contract, purchase completion and registration under your name at UK Land Registry. We also complete paperwork to represent you for other steps in the purchase process and property management.

If you are not yet visiting the UK, you can still buy property; however, we will need to get your documents (passport and address ID) attested by a lawyer in your country to the satisfaction of the UK Land Registry. This can be done easily and we will provide full details.

6. Agree to proceed with a purchase

Once you agree to purchase, you will need to sign the Reservation Agreement followed by a payment of 10% plus purchase costs into the Client account. This is an important step, as the Reservation Agreement outlines the steps we will take in conjunction with your solicitor to ensure exchange of contracts, and completion of purchase and registration of the property under your name at the UK Land Registry. This agreement will also fix the price, specify the agreed guaranteed rent and payment terms.

7. Exchange of contracts & completion

We normally act on your behalf to ensure all the steps are taken for the legal exchange of contracts and complete the property purchase after your full payment. Your rental starts to be credited to you 1 month after your final (90%) payment even if completion is delayed.

8. Registration at Land Registry

Following completion, the property is registered under your name at the UK Land Registry by your solicitor and your solicitor will provide evidence for this after registration.

9. Management of property

We and our partner companies will ensure your property remains rented and we will provide updates and statements to you every 3 months. Your net rent will be paid into an account specified by you. The Guaranteed Rent option means that you get the rent even if your property should become vacant or even if your tenant does not pay

the rent. You can select to choose either the Standard Management option (rent at around 8% of property price) **or** the Guaranteed Rent option (rent at slightly lower percentage) at the beginning of each year. Further, you can fix the guaranteed rent for 2 years on the property purchase if you wish. Guaranteed rent provides additional reassurance to investors and is popular amongst overseas investors as it gives them certainty of income. You can continue with the Guaranteed Rent option even after the first 2 years if you wish.

10. Re-sale in the Future

If you decide to re-sell in the future, we can help you find a buyer. Payment from the seller will normally be received by your solicitor from the seller's solicitor and paid directly by your solicitor into an account owned by you.

Buying 'Own Use' Property

Buying 'own use' property from third parties follows a more traditional process that can stretch to an average time period of about 3-4 months. The third party may have to purchase a house before completion can occur. There is also more uncertainty regarding completion as there is not any pre-agreement equivalent of the reservation agreement. Theoretically, the buyer can pull out at any time before completion of contracts but this does not happen often.

If you are a resident in the UK, a mortgage lender may also be involved and this would result in additional steps in the purchase process. Since prices of such property are likely to be higher, UK stamp duty charge may also be payable.

Please note that unlike our service for investment properties, a buyer's fee is payable by the buyer to us for this service and part of this may need to be paid upfront as a registration fee. No buyer's fee is payable for the 'Best Buy' investment properties.

Questions & Answers

Most of the questions and Answers relate to the 'Best Buy' **Investment Properties**.

Q- Can any Nationality buy property in the UK?

Yes. The UK is open for investment and all nationalities can buy.

Q- As a non-resident could I get a mortgage?

No - currently non-residents cannot get a mortgage. You would need to borrow from overseas or use your own funds to purchase.

Q- Can I buy a UK property without visiting the UK?

Yes – but we recommend that you do visit, meet us and view the properties. If you are visiting later, you can still buy but we will need to get your documents (passport and address ID) attested by a lawyer in your country to the satisfaction of the UK Land Registry. This can be done easily and we will provide full details. Some customers have done this for the low cost investment properties.

Q- What is the location of these investment properties?

The investment 'best buy' properties are located in the Lancashire towns, just north of Manchester airport. There is very good rental demand here for low cost properties, and rental yields (rent as percentage of property price) are the highest in the UK.

Q- Are property prices rising in the UK?

Yes. Property prices fell in the UK from 2007 to 2009. The fall was greater for lower cost properties and for properties outside London. These are the properties that will now jump up the most in price. Prices have started to rise again. Average growth in the UK is around 8.4% (see the chart under UK Property Market), with the lower cost properties growing at an even higher rate of up to 20% per year. The lower cost properties could double in price over next 5 years.

Q- Why do the 2-bed properties with an average price of £52,995 vary in price from £49,995 to £55,000?

Within each type of property there are many almost identical units available within a narrow price range depending on the rental yield. The slightly more expensive properties have slightly more rental. With the 2-bed properties, the rent range varies from £3,995 to £4,400 with an average of about £4,240 per year. Properties that cost a bit more have a slightly higher rent.

Q- Should I consider buying under-construction or off-plan property?

Take extra care when purchasing an investment property that is yet to be built or is under construction. The risks with such properties remain high. The project could be cancelled and there can be delays in completion and then in renting the properties out. Prices are often inflated by developers, as properties are difficult to compare. For investment, only consider property that is built and already rented out. Further, you should buy from a company that has control over the property and remains responsible to you after the sale.

Q- Can I get a discount from the prices shown?

No. For investment properties, the prices shown are the actual final contract prices. You will not be able to purchase at a lower price. The price may be higher if there is a delay between you getting the information and signing the Reservation Agreement. This is because prices in the UK are now rising by about 8-10% per year on average; on the lower cost properties it is a much faster rate of up to 20% per year. The only way to secure the lowest price is to make a decision sooner. Once the Reservation Agreement is signed, the price is fixed and will not increase.

Q – Do you sell only to overseas buyers?

No. About 20% of our customers are from the UK. We specialise in, and are very good, at helping overseas buyers for the long term, and our group companies have offices overseas and specialise in international property. However, many UK customers who are looking for a 'total investment solution' with minimal involvement also buy from us.

Q- How do I get to see you at your offices?

Our customers usually land at London Heathrow or Manchester airport. Some travel from London by train to Preston (2 hours). For qualifying customers, we provide a collection service from the airport, railway station or hotel. Normally we would have meetings at our offices and then show you the agreed properties. We can also take you to meet other professionals, such as the solicitors on the same day (e.g. for formal ID and attestation of documents). After your visit we drop you off.

Q- How can I view properties?

Our staff can show you the property; however, you have to follow our procedure and need to provide ID details before visiting the UK. UK regulations specify that we have to identify you *before* we start dealing with you. For investment properties, approx. 40% of our customers view prior to purchase; approx. 40% pay 10% to secure the price *via* the reservation agreement and then view prior to the second (90%) payment; the remaining 20% view when they next visit the UK and use documents that have been attested by a lawyer in their own country.

For 'own use' properties, we insist on all customers viewing before any decision and payment.

Q- What is the biggest purchase issue for overseas buyers?

The biggest issue for overseas buyers is identification to the satisfaction of your solicitor. For this, the following ID information is required, ideally presented personally by the buyer to the solicitor:

- Passport
- Address ID e.g. driving licence, ID card or utility bill
- Bank statement

You will also need to state the source of funding – normally this is from 'savings' or 'business profits'. If you are not able to visit at present and are not in the UK, we will need attested copies prior to the exchange of contracts. These can be attested by any UK solicitor beforehand (e.g. at the viewing visit) or by a Lawyer in the buyer's own country, in

which case the Land Registry form ID-1 may also need to be completed.

Q- Can you get cheaper investment properties?

Yes. For investment properties, prices vary by rental yield. This applies all over the world. In this area we can acquire slightly lower cost properties but the rents on these are lower and they may need additional work before they can be rented out. We do not sell such properties as we have to provide guaranteed rent. So the prices on the investment property page are the lowest prices we can sell for and these prices will go up.

Q- What are costs of purchase?

For the 'best buy' investment properties the costs are low and fixed – the costs vary from £795 to £995 depending on the property selected and include:

- Solicitor fees
- Local search fees
- 12 month building insurance
- Registration fee for Lands Department
- Stamp duty is not payable for these.

For 'own use' properties and high value properties, the costs can be considerable. The fees for each of the above areas will be higher, and there will be fees related to the Mortgage. The biggest cost with the expensive properties is likely to be stamp duty:

Property under £125,000	NIL
Property £125,000 to £250,000	1% of price
Property £250,000 to £500,000	3% of price
Property £500,000 to £1 million	4% of price
Property £1million to £2 million	5% of price
Property £2 million and over	7% of price

Q- Will you continue to manage the property after the first 2 years?

Yes. Most owners ask us to continue to manage on their behalf – but you are not tied to us. You can use any other agent or manage yourself if you wish.

Q- What are the on-going running costs of investment properties?

You would need to keep the property insured and there will be a management fee payable to us or our partner company for managing the property every year. This is normally a percentage of the rent. We try to maximize the rent. Council tax and utility bills (gas, electric, water, telephone line/internet, cable/satellite TV) are the responsibility of the tenant.

Q- Can I buy an investment property and immediately use it for myself?

No; these are already rented out. But after the purchase, you can give notice to the tenant and then use the property yourself if you wished to do this. Usually, our investors do not do this and they leave the properties rented out.

Q- I may decide to live in the UK in the distant future or my children may study there. What do you recommend?

You should get multiple lower cost investment properties now. Then, when you or your family move to the UK, re-sell these and get an 'own use' property which fulfils your needs at *that* time (your needs **will** change), and is near to your place of work/study or where you want to be. This will allow your money to grow at a faster rate, will be of lower risk, and will provide you with more flexibility. You could also decide to keep your investment properties rented out and use the funds to rent something suitable for yourself – especially if you were only coming to the UK for 1-2 years.

Q- How and when do I make payments for investment properties?

Payments are made **after** you have agreed to purchase and have signed the agreement. Property is always priced in sterling pounds (£). Payments can be made in any currency and can be converted to £. Normally payments are made into client accounts in £, USD, Euro or AED. The first payment is normally 10% plus the purchase costs. The remaining 90% is paid prior to completion and title registration. Receipts and statements are issued after each payment.

Q- How do I choose a specific house for investment?

You select a type of house from the 3 types of investment homes available. At reservation, you are allocated a specific house provisionally but can switch to any of our other unallocated units at the time of viewing (providing you do this prior to legal exchange of contracts).

Q- Do you offer larger properties with similar deals?

No. The rental yield percentages are less for larger properties. Thus, we do not offer such deals on larger semi-detached or detached properties.

Q- Is there anything better for investment?

No. We regularly look at other areas to see if we can achieve the same benefits; however, at present, like in other countries, lower cost properties with high rental yields are the best forms of low risk investment. Prices in other areas are higher and rental yields are lower.

Q- My budget is much larger. Should I buy a more expensive property?

No. You should buy multiple lower cost properties if your aim is investment. These will grow better in value, give higher rental yield, will be of lower risk and provide more flexibility than one big detached property. However, complete the purchase of *one* property first and then buy more – especially if you have not purchased in the UK before.

Q. What is the difference between Freehold and Leasehold?

There are 3 main categories in the UK.

Category 1 – Freehold and '999 years' Leasehold: These properties are grouped together, as 999 years is a long time. The market value is the same, and for purchase and sale purposes these are treated in a similar way. All of the investment properties fall into this category – either freehold or '999 year leasehold'. Most of the properties in the North West are of this type. This is the best category.

Category 2 – Leasehold '99 years' or '125 years': These types of properties are popular in London. Almost all apartments/ student flats fall into this category too. The value of such properties is less, especially if they are old with fewer years

remaining on the lease. If the lease gets shorter than 60 years, the value can be affected as mortgages can be more difficult to obtain. However, now, under new laws, leases can be extended without excessive penalty.

Category 3 – Leasehold ‘3 to 20 years’ typically: Such properties should be considered as long-term rental rather than true purchase.

Q-Are student flats/pods a good investment?

These are units built by developers and managed by the student letting companies and sold by agents as investments. However, they have high management costs and service charges, come with shorter leases and cannot be sold to anyone other than an investor. This is the biggest issue as you cannot exit the investment unless you find another investor. Thus, the market value does not rise. Typically, these are sold by aggressive sales agents and we have had many customers who have contacted us wanting to exit such investments. They are also likely to be affected by changes in education policy (e.g. rise in fees; thus, depressing demand). However, there may be some units which offer good value for money. It is best to buy from an existing investor who wishes to exit– not directly from the developer.

Q- Will I have to pay UK tax?

Most of our customers e.g. those from Europe or those from countries with Treaties with UK may qualify for an allowance of about £10,000 which means that the first £10,000 per year in the UK is not taxed. Thereafter, for income above the allowance, you will have to pay 20% tax on net rental income after all costs. We can help you with this process and with claiming the allowance.

Q- Is buying a house better than buying a flat/apartment?

Apartments are popular in city centres; they are leasehold units so may have high service charges for common facilities. Net rental yields are much lower than terraced houses. Over the past 10 years, many flats were built and these were sold by developers at high prices. Thus, there may be limited capital growth as prices are already too high. However, some good units in city centres,

such as Liverpool and Manchester, can be cost effective.

Q- Is the purchase process secure?

Yes. When purchasing the investment properties, the reservation agreement clearly lays out the terms. Funds are held in client accounts (where, legally, funds belong to the customer) and your solicitor ensures registration is completed under your name at the UK Land Registry after exchange of contracts and full payment. All of the Solicitors recommended and used in the purchase process are full regulated members of the UK Law Society.

Q- Does a UK property purchase give me any automatic visa or residency rights?

No. Purchase of any property in the UK does **not** give you any automatic residency or work rights or any permanent visa in the UK. As an investor, it will be easy for you to get visit visas but you do not get automatic residency or the ability to work in the UK.

Q- Can I buy a larger or semi or detached property with the same management and guaranteed rent deal?

No. We limit this offer to the popular and best value low cost properties. Larger properties tend to have lower rental yields and are harder to rent out.

Q- Can I buy similar properties in other areas of the UK with the same management and guaranteed rent deal?

No. These properties are located in the North West, including Lancashire, where prices are low and rental demand is high – so these are the best for investment. We do not offer properties in other areas, as the risks are higher for both you and us, due to the lower demand. Also, due to the popularity of these properties, we have our own management teams in the North West and do not have to rely on third parties.

Q- If I wanted to re-sell my investment property in a few years, could you do this and get it done quickly?

Yes. We can help you re-sell your property and we can also buy back at the market price. Normally, your solicitor will be involved and the re-sale

process will take about 3 months and you should budget for this. If you are looking to re-sell within 1 year, you should not purchase, as you may not make much profit due to purchase and sales costs.

Q-What is Guaranteed Rent option?

The Guaranteed Rent option means that you receive the rent if your property should become vacant or if your tenant does not pay the rent. The guaranteed rent is normally paid at 6-7% of the property price per year. The Standard Management option gives you rental at approximately 8% of the property price, but you don't get rent for any vacant periods if the tenant leaves. 8% is a very good figure for the UK market. You can select to choose either the Standard Management option *or* the Guaranteed Rent option at the beginning of each year, and can fix the guaranteed rent for 2 years on the property purchase if you wish. Guaranteed rent provides additional re-assurance to investors and is popular amongst overseas investors as it gives them certainty of income. You can continue with the guaranteed rent option even after the first 2 years if you wish.

Q- I am seriously interested. What should I do next?

Discuss your requirements with us. Provide your full ID information, select the type of investment property needed and get the draft documents and agreements. Thereafter, you can decide to visit if you think you are likely to purchase. You should do your research and make a decision soon. After a period of price drops and stability, prices are now rising in the UK. We cannot guarantee the prices as per website. But once your reservation agreement is signed, the prices are fixed.