

3 YEAR INVESTMENT SUMMARY

The figures below show growth in value at 3 different rates of 9%, 12% and 15%. The profit summary is based on growth at 12% growth per year. The rental figures assumes no growth to be conservative, but growth is likely here too.

Compared with returns from a bank of less than 2%, suitable, well managed, low cost investment property can yield returns of 20% per year – 10 times higher!

	BEST BUY		
3 Year Investment Summary	Type 2A	Type 2B	Type 3C
Property Type	2 Bed Standard	2 Bed Large	3-Bed
Property Price	£54,995	£59,995	£69,995
Purchase Fees inc solicitors & insurance	£795	£995	£995
First Payment - Reservation List	£6,295	£6,995	£7,995
Final Payment within 1 to 4 months (rent starts 1 months after final payment)	£49,496	£53,996	£62,996
Standard Rent - Approx at 8% per year	£4,400	£4,800	£5,600
Management Fee 10% per year (Note: Guaranteed Rent is at 7%)	£440	£480	£560
Forecast Property Growth			
Property Price after 3 Yrs - 9% Growth/Yr	£71,220	£77,695	£90,646
Property Price after 3 Yrs - 12% Growth/Yr	£77,264	£84,289	£98,338
Property Price after 3 Yrs - 15% Growth/Yr	£83,641	£91,245	£106,454
Other Costs			
Other Cost Yr 1	£0	£0	£0
Other costs Yr 2 (insurance and Gas cert)	£170	£210	£230
Other costs Yr 3 (insurance and Gas cert)	£170	£210	£230
3 Year Profit Summary			
Growth in Value @ 12% growth	£22,269	£24,294	£28,343
Total Rent 3 Years -(assumes no growth)	£13,199	£14,399	£16,799
Total Profit - 3 Years	£35,468	£38,692	£45,142
Total Management Fees - 3 Year	£1,320	£1,440	£1,680
Total other costs -3 Years	£340	£420	£460
Total Costs - 3 Years	£1,660	£1,860	£2,140
NET PROFIT - 3 years	£33,808	£36,833	£43,002
Total % Return - 3 years	61.5%	61.4%	61.4%
Total return per year	20.5%	20.5%	20.5%

Note: These are estimated forecasts. Whilst the rental yield is guaranteed, the capital value growth in property values cannot be guaranteed as this is determined by factors outside our control