



## Sourcing Service

Please find details of our latest sourcing service offer.

Listing Price:	£51,500
Number of Bedrooms:	3
Potential Monthly Rental:	£500-£525
Potential ROI:	15-25%

### Description:

#### **Direct to vendor purchase.**

This is an extremely large 3 bedroom back to back property that is not currently on the open market. We are buying another property through this seller and they have offered this property to us.

The property is over 3 main floors, on the ground floor there is a large living room and side kitchen. There is also access to a small cellar. On the first floor there is a very large master bedroom with the family bathroom. In the attic space there are 2 large bedrooms that would fit double beds.

The property does require modernising, but the electrics, gas central heating and double glazing are all in place. There is some damp damage but this has been caused by a leaking toilet pipe and also a blocked gutter. This can be repaired fairly easily.

One thing that this property has going for it is the space (the rooms are amazing in size) and a distinct lack of 3 bedroom properties in the area.

### Image Link:

<https://www.dropbox.com/sh/kzxqf2kum4yizuj/AAAjNSMPq9tBo11-UBoS4uQ7a?dl=0>

## Education:

1	St Joseph's Roman Catholic Primary Scho... 0.1 miles away   State school	Ofsted: Requires improvement	Voluntary Aided School
2	Bacup Holy Trinity Stacksteads Church of ... 0.2 miles away   State school	Ofsted: Outstanding	Voluntary Controlled School
3	Bacup St Saviour's Community Primary Sc... 0.8 miles away   State school	Ofsted: Requires improvement	Community School
4	Waterfoot Primary School 1.1 miles away   State school	Ofsted: Good	Community School
5	St Mary's Roman Catholic Primary School, ... 1.3 miles away   State school	Ofsted: Good	Voluntary Aided School
6	St Anne's Church of England Primary Scho... 1.5 miles away   State school	Ofsted: Good	Voluntary Aided School
7	Bacup Thorn Primary School 1.5 miles away   State school	Ofsted: Outstanding	Community School
8	Britannia Community Primary School 1.5 miles away   State school	Ofsted: Good	Community School
9	St Peter's Roman Catholic Primary School,... 1.7 miles away   State school	Ofsted: Outstanding	Voluntary Aided School
10	Rawtenstall Newchurch Church of England... 1.7 miles away   State school	Ofsted: Good	Voluntary Controlled School

1	Fearn's Community Sports College 0.9 miles away   State school	Not Available	Academy Sponsor Led
2	Fearn's Community Sports College 0.9 miles away   State school	Ofsted: Special Measures	Community School
3	Bacup and Rawtenstall Grammar School 1.2 miles away   State school	Ofsted: Outstanding	Academy Converter
4	Whitworth Community High School 2.8 miles away   State school	Ofsted: Good	Community School
5	Alder Grange School 2.9 miles away   State school	Ofsted: Good	Community School
6	Belmont School 3.5 miles away   Independent school	ISI	Other Independent Special School
7	All Saints' Roman Catholic High School, Ro... 3.7 miles away   State school	Ofsted: Good	Voluntary Aided School

## Breakdown of Numbers:

### £500PCM Rental:

Mortgage Purchase		Cash Purchase	
Purchase Price	51,500	Purchase Price	51,500
25% Deposit	12,875		
Potential Renovation	8,735	Potential Renovation	8,735
Stamp Duty	1,545	Stamp Duty	1,545
Mortgage Broker	500		
Purchase Solicitor	1,000	Purchase Solicitor	1,000
Valuation Fee	400		
Sourcing Fee	995	Sourcing Fee	995
<b>Total Purchase Cost</b>	<b>26,050</b>	<b>Total Purchase Cost</b>	<b>63,775</b>
<b>Rental Target</b>	<b>500</b>	<b>Rental Target</b>	<b>500</b>
Management Fee	50	Management Fee	50
Insurance	20	Insurance	20
Mortgage Payment	113		
<b>Total Monthly Income</b>	<b>317</b>	<b>Total Monthly Income</b>	<b>430</b>
<b>ROI</b>	<b>15</b>	<b>ROI</b>	<b>8</b>
<b>Target Revaluation</b>	<b>70,000</b>	<b>6 Month Target Revaluation</b>	<b>70,000</b>
New 25% Deposit Amount	17,500	New 25% Deposit Amount	17,500
Refinancing Cost	1,900	Refinancing Cost	1,900
Cash back out	11,975	Cash back out after mortgaging	50,600
<b>Potential Total Purchase Cost in Cash</b>	<b>14,075</b>	<b>Potential Total Purchase Cost in Cash</b>	<b>13,175</b>
Existing Rent Before Re-mortgage	500	Existing Rent Before Re-mortgage	500
Management Fee	50	Management Fee	50
Insurance	20	Insurance	20
Mortgage Payment	153	Mortgage Payment	153
<b>Total Monthly Income</b>	<b>277</b>	<b>Total Monthly Income</b>	<b>277</b>
<b>ROI</b>	<b>24</b>	<b>ROI</b>	<b>25</b>

### £525PCM Rental:

Mortgage Purchase		Cash Purchase	
Purchase Price	51,500	Purchase Price	51,500
25% Deposit	12,875		
Potential Renovation	8,735	Potential Renovation	8,735
Stamp Duty	1,545	Stamp Duty	1,545
Mortgage Broker	500		
Purchase Solicitor	1,000	Purchase Solicitor	1,000
Valuation Fee	400		
Sourcing Fee	995	Sourcing Fee	995
<b>Total Purchase Cost</b>	<b>26,050</b>	<b>Total Purchase Cost</b>	<b>63,775</b>
<b>Rental Target</b>	<b>525</b>	<b>Rental Target</b>	<b>525</b>
Management Fee	53	Management Fee	53
Insurance	20	Insurance	20
Mortgage Payment	113		
<b>Total Monthly Income</b>	<b>340</b>	<b>Total Monthly Income</b>	<b>453</b>
<b>ROI</b>	<b>16</b>	<b>ROI</b>	<b>9</b>
<b>Target Revaluation</b>	<b>70,000</b>	<b>6 Month Target Revaluation</b>	<b>70,000</b>
New 25% Deposit Amount	17,500	New 25% Deposit Amount	17,500
Refinancing Cost	1,900	Refinancing Cost	1,900
Cash back out	11,975	Cash back out after mortgaging	50,600
<b>Potential Total Purchase Cost in Cash</b>	<b>14,075</b>	<b>Potential Total Purchase Cost in Cash</b>	<b>13,175</b>
Existing Rent Before Re-mortgage	525	Existing Rent Before Re-mortgage	525
Management Fee	53	Management Fee	53
Insurance	20	Insurance	20
Mortgage Payment	153	Mortgage Payment	153
<b>Total Monthly Income</b>	<b>299</b>	<b>Total Monthly Income</b>	<b>299</b>
<b>ROI</b>	<b>26</b>	<b>ROI</b>	<b>27</b>



Revaluation Comparables:

This has been a challenge as 3 bedroom properties are difficult to find in the area (as most properties are 2 bedroom terraces). The last sale on this street was over 18 months ago and the property itself was tired and dated:

6, Farholme Lane, Bacup, Lancashire OL13 0EU

£51,000	Terraced, Leasehold, Residential	29 Nov 2016	3 bedrooms
£20,000	Terraced, Leasehold, Residential	07 Apr 1995	





Looking further out on the sales history for 3 bedroom properties within the ¼ mile radius we did come across a 2 bedroom property that is on the same street (Different postcode) that achieved a higher resell price:

26.

£75,000	Terraced, Freehold, Residential	08 Nov 2018	2 bedrooms
£58,000	Terraced, Freehold, Residential	12 Oct 2012	
£59,950	Terraced, Freehold, Residential	30 May 2003	



The above has been classed as a 2 bedroom property but it does have an additional attic room (3<sup>rd</sup> bedroom). This property also has garden access.

Moving onto the rest of the ¼ mile radius for examples:

254.

£76,000	Terraced, Leasehold, Residential	01 Feb 2019	3 bedrooms
£50,000	Terraced, Leasehold, Residential	01 Jul 2016	
£30,000	Terraced, Leasehold, Residential	28 Mar 2002	



11.

£75,000	Terraced, Leasehold, Residential	12 Oct 2018	2 bedrooms
£64,000	Terraced, Leasehold, Residential	13 Nov 2014	



33.

£94,000	Flat, Leasehold, Residential	12 Oct 2018	2 bedrooms
£122,950	Flat, Leasehold, Residential (New Build)	24 Jul 2009	



1.

£78,000	Terraced, Leasehold, Residential	01 Oct 2018	2 bedrooms
£47,000	Terraced, Leasehold, Residential	12 May 2010	
£10,000	Terraced, Leasehold, Residential	04 Mar 1997	



20.

£60,000	Terraced, Leasehold, Residential	20 Jul 2018	3 bedrooms
£85,500	Terraced, Leasehold, Residential	10 Oct 2006	
£31,950	Terraced, Leasehold, Residential	12 Jan 2001	



[22, Branch Street, Bacup, Lancashire OL13 0TX](#)

£60,000 Terraced, Leasehold, Residential

12 Apr 2018 2 bedrooms

£33,000 Terraced, Leasehold, Residential

05 Jul 2002



[27, Herbert Street, Stacksteads, Bacup, Lancashire OL13 0TY](#)

£74,500 Terraced, Leasehold, Residential

09 Apr 2018 2 bedrooms

£50,000 Terraced, Leasehold, Residential

24 Feb 2012



Active properties on the market that are available for purchase:

  

**3 bedroom terraced house for sale**

0.05 miles  
S&S Estates are pleased to present this three bedroom mid terraced family home set in the heart of Bacup.

£80,000

Offers in Region of

Price Change History	
30/11/2018	Price Changed: <del>£75,000</del> £70,000
24/11/2018	Price Changed: <del>£80,000</del> £75,000
30/10/2018	Initial entry found.

  

**2 bedroom terraced house for sale**

0.10 miles  
The Express Estate Agency is proud to offer this Renovated Two Bedroom Mid Terrace House. – all interest and OFFERS are INVITED. \*Guide Price £70,000 - £75,000\*\* INTERNAL:

£70,000

Guide Price

Price Change History	
23/04/2019	Initial entry found.

  

**2 bedroom terraced house for sale**

0.10 miles  
Wonderfully presented 2 bed terrace home in Bacup  
Comprises of: Bright and airy lounge Good size and well fitted kitchen Two well proportioned bedrooms Three piece family

£70,000

Offers in Excess of

Price Change History	
09/04/2019	Price Changed: <del>£77,000</del> £70,000
08/03/2019	Initial entry found.




2 bedroom terraced house for sale

0.11 miles

Investor or First Time Buyer Alert! This 2 Bed Stone Terrace home is a must see on your viewing list. Good size rooms, Modern Fitted Kitchen plus a rear Yard ! NO CHAIN DELAY !!!

£70,000

Offers in Region of

Price Change History

14/02/2019 Initial entry found.

### Rental Comparables:

Within 1 mile there are currently **0 available 3 bedroom properties** as the below is currently under application.




3 bedroom terraced house

0.10 miles

\*\*\* NOW UNDER APPLICATION \*\*\* - IDEAL 3 BEDROOM RENTAL HOME WITH MODERN KITCHEN & BATHROOM - Neutral Modern Decor Throughout, Local Amenities Nearby -

£475 pcm

£110 pw (fees apply)

Price Change History

15/04/2019 Initial entry found.

I personally own 2 rental properties within the ¼ mile radius and I am also buying a 3<sup>rd</sup> property.

Property 1 is currently let at £525PCM – 2 bedroom property that has a garden and has been fully renovated from top to bottom

Property 2 is currently let at £400PCM – 2 Bedroom property with rear yard that has been purchased with a sitting tenant. Property is dated but I have no intention on moving the tenant out so there is no cost at the moment. I would be aiming personally for £450-£475PCM.

Property 3 is currently being purchased – 1 bedroom property on the main road that I will be advertising for £450PCM

## **Disclaimer**

**Whilst we do try our hardest to give accurate figures there will be occasions where costs are higher, or values lower.**

**We advise that you are happy with the rental return % and income at the purchase price, and use future potential added value as a bonus, as the markets decrease as well as increase.**

**We advise any purchasers to conduct their own due diligence before committing to any purchase.**

**Target revaluations and rental amounts are taken from current market conditions. We cannot take responsibility for valuations conducted by lenders if they are lower than the figures that we have estimated. We will always give figures that we believe are achievable with the current market conditions.**

**Renovation figures are again estimates.**

**All purchases are completed at the buyers own risk.**