

ThePropertySmith

Property Investment Guide

Buy Refurb & Refinance | Buy to Let | Flip

Your Guide to Hands-Free Property Investing
Tees Valley 2022



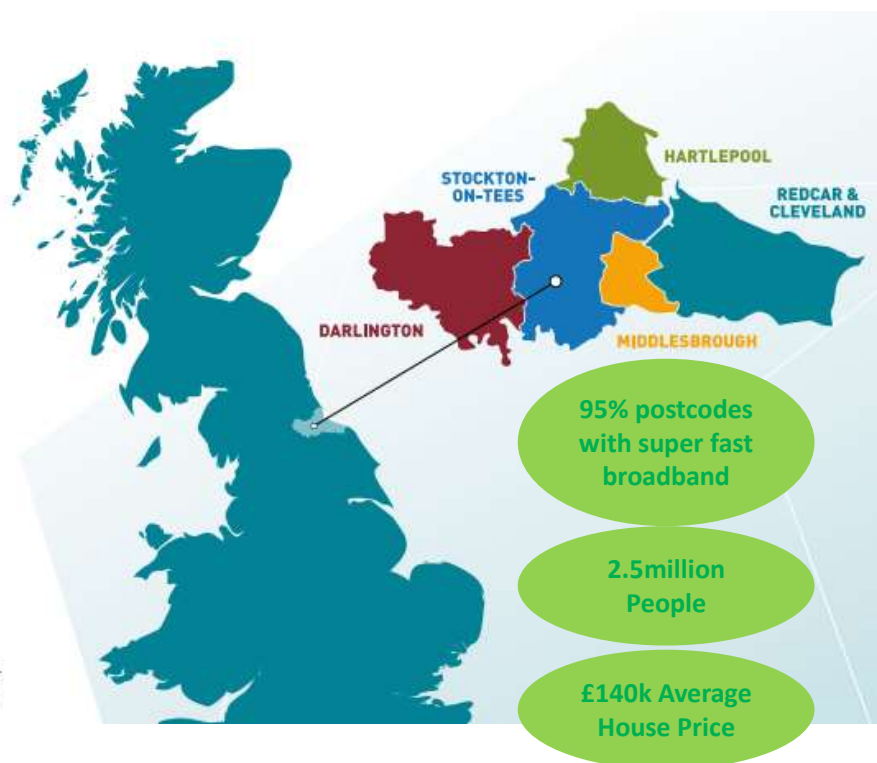
TheStrategySmith | ThePropertySmith Co. Number 12460120



Why Invest in Teesside – The Tees Valley

Tees Valley is the perfect package. A place that is high-growth and high-value. A place with a dynamic vision and entrepreneurial spirit where the right people with the right skills combine with the right connections and infrastructure. A place with a proud history and an even greater appetite for new ventures

TEES VALLEY



A LEADING DESTINATION

Tees Valley is a leading destination for manufacturing, process and energy companies, with strengths in the digital, life sciences and professional services sectors and has many advantages over other areas that attract big businesses.

With a **£12.3 billion** economy and world class expertise and critical mass in chemicals, energy, health innovation and advanced manufacturing, Tees Valley already makes a major contribution to the UK economy.

TEES VALLEY INVESTMENT PLAN 2019-2029

- **£588million investment in the Tees Valley area**
- **25,000 new jobs by 2026**
- **Additional £2.8billion economic output for the region.**
- **March 2021 announcement – Freeport**

Your Investment Pathway

We quality check EVERY property – Top 5 value checks

1) Property Value

The value of the property must be within your 'star' range. To be ripe for investment you need know and ensure you stick to your range. Not too expensive the capital needed is too great and not too inexpensive which could relate to an undesirable area. We find that between **£40k and £120k** works best for the highest Return On Cash Employed (ROCE).

2) Developing & Growth Ability

The deals we package and that we would advise you seek must be in an area with strong capital growth prospects and a high 'Sold STC' rate is also a must. Targeting these areas provides for exponential growth in the value of your investment.

3) Tenant Lifestyle

Tenant care and demand is key. We need to ensure that we have an abundance of Tenants and also Tenants that will look after your investments. We target family properties that attract family tenants and aim to have several applicants per property.

4) Location Location... – you know the rest

Sometime a deal looks like a good deal, but the area isn't right. We target suburban areas with a transient population and a strong, growing economy (booming in fact) – this ensures all aspects of your investment, including rental income continue to grow.

5) Established, solid, properties

There is too much risk in investing in 'off plan' and new properties / developments. We advise to stay away from these investments. They are usually overpriced, and huge large time constraints on development work and sometimes don't even complete!

We purposely target robust solid family properties in established areas



Buy | Refurbish | Refinance & Repeat – deal cycle

Buy, Refurb, Refinance Pt1

Strategy Consultation, sourcing, case progression, refurb management & tenanting – High return on capital

Key Numbers: End Terrace Middlesbrough
£85K Purchase Price

Buying costs: Deposit £21.25k, £7900 buying fees including sourcing fee, £12k refurb.

Total Capital: £41.15k

Mortgage: £63.75k

Buy, Refurb, Refinance Pt2

Revalued at £123k

New mortgage: £92.25k

New mortgage pays off old mortgage = £28.5k equity out of the deal. Therefore only £12.65k left in total capital.

Rent: £625pcm

Return on Capital (R.O.C.E) = 23.3%

PLUS: £28.5K to put into next deal. PLUS: Capital Growth. PLUS: Rental Growth

REPEAT

ThePropertySmith | Business & Compliance

Take ACTION with ThePropertySmith

Book a FREE 20 minute consultation now.

We believe that NOW is the best time to invest in property and especially in the Tees Valley region!

Due to high demand we only take on a limited number of new clients to ensure the utmost focus and value for the people we work with – your ongoing service and support is paramount to us.



Book a strategy call:

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HMRC Anti Money Laundering:

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