



Vada Prime LLC

Offering Memorandum

HMO - Wolves

Presented by Vada Prime LLC



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Executive Summary

HMO - Wolves is a HMO investment opportunity located in Wolverhampton. This Freehold property features 6 bedrooms and 2 bathrooms, currently listed at £350,000.00 with a market value of £410,000.00. The investment strategy focuses on HMO, offering a projected ROI of 7.72% and a net rental yield of 7.72%. With a total acquisition cost of £375,802.00 and an estimated refurbishment cost of £16,850.00, this deal promises strong cash flow projections, reaching £152,689.82 by Year 5.



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Property Description

Address: 60 Hallam Crescent, Wolverhampton, WV10 9YA

Property Type: HMO

Bedrooms: 6

Bathrooms: 2

Ownership: Freehold

Furnished Status: Furnished

Tenancy Status: Vacant

Purchase Price: £350,000.00

Market Value: £410,000.00

Unit Details

Units (Odd)	Units (Even)
Unit 1: Rent: £650.00 Market Rent: £650.00 Bedrooms: 1 Floorspace: 15.0 sqm Refurb Costs: £5,500.00	Unit 2: Rent: £650.00 Market Rent: £650.00 Bedrooms: 1 Floorspace: 15.0 sqm Refurb Costs: £1,150.00
Unit 3: Rent: £650.00 Market Rent: £650.00 Bedrooms: 1 Floorspace: 15.0 sqm Refurb Costs: £9,100.00	Unit 4: Rent: £850.00 Market Rent: £850.00 Bedrooms: 2 Floorspace: 15.0 sqm Refurb Costs: £1,100.00



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Financial Projections

Acquisition Costs

Purchase Price: £350,000.00
Stamp Duty: £4,500.00
Legal Fees: £252.00
Refurb Costs: £16,850.00
Contingency Fund: £2,500.00
Total Acquisition Cost: £375,802.00

Income & Returns

Income Metrics	Return Metrics
Market Rent (PCM): £1,500.00	Gross Rental Yield: 8.8%
Current Rent (PCM): £2,800.00	Net Rental Yield: 7.72%
NOI (Annual): £27,033.33	Cash-on-Cash Return: 8.62%
Net Cash Flow (Annual): £27,033.33	ROI: 7.72%

Cash Flow (Years 1-6)	Cash Flow (Years 7-12)
Year 1: £29,600.00	Year 7: £217,148.22
Year 2: £59,662.00	Year 8: £250,131.44
Year 3: £90,192.93	Year 9: £283,627.42
Year 4: £121,199.82	Year 10: £317,643.83
Year 5: £152,689.82	Year 11: £352,188.48
Year 6: £184,670.17	Year 12: £387,269.31



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Market Analysis

Local market data and trends to be added by user.

Comparable Sales:

72 INCHLAGGAN ROAD, WV10 9RA - £165,000

29 INCHLAGGAN ROAD, WV10 9QZ - £180,000

Market Statistics:

Number of Comps: 4

Mean Price: £153,750.00

Median Price: £170,000.00

Min Price: £95,000.00

Max Price: £180,000.00



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Investment Structure

Strategy: HMO

Initial Investment: £379,802.00

Investment Horizon: 150 months

Debt Percentage: 0.0%

Investor IRR: 12.38%

Financing Recommendations:

HMO Mortgage: Consider £287,000.00 at 5.5% for 20 years (Specialized loan for multi-tenant properties); Private Investors: Equity partners for higher upfront costs



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Risk Factors

Insufficient funding: £375,802.00 shortfall; HMO licensing costs: Regulatory and compliance risk; Long breakeven period (12 years); Delayed returns



Supporting Visuals

Investment vs Return/Value

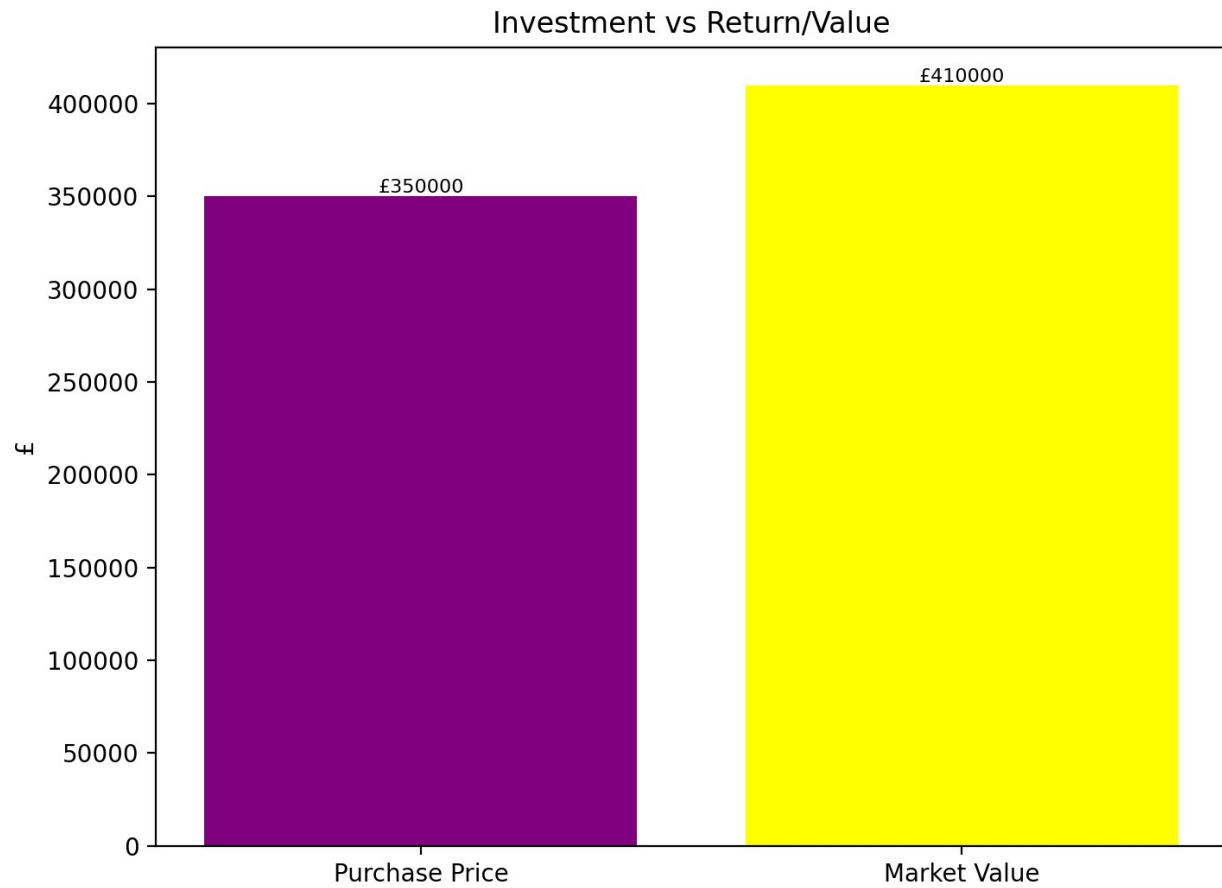


Figure: Investment vs Return/Value

Cost Breakdown



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Cost Breakdown

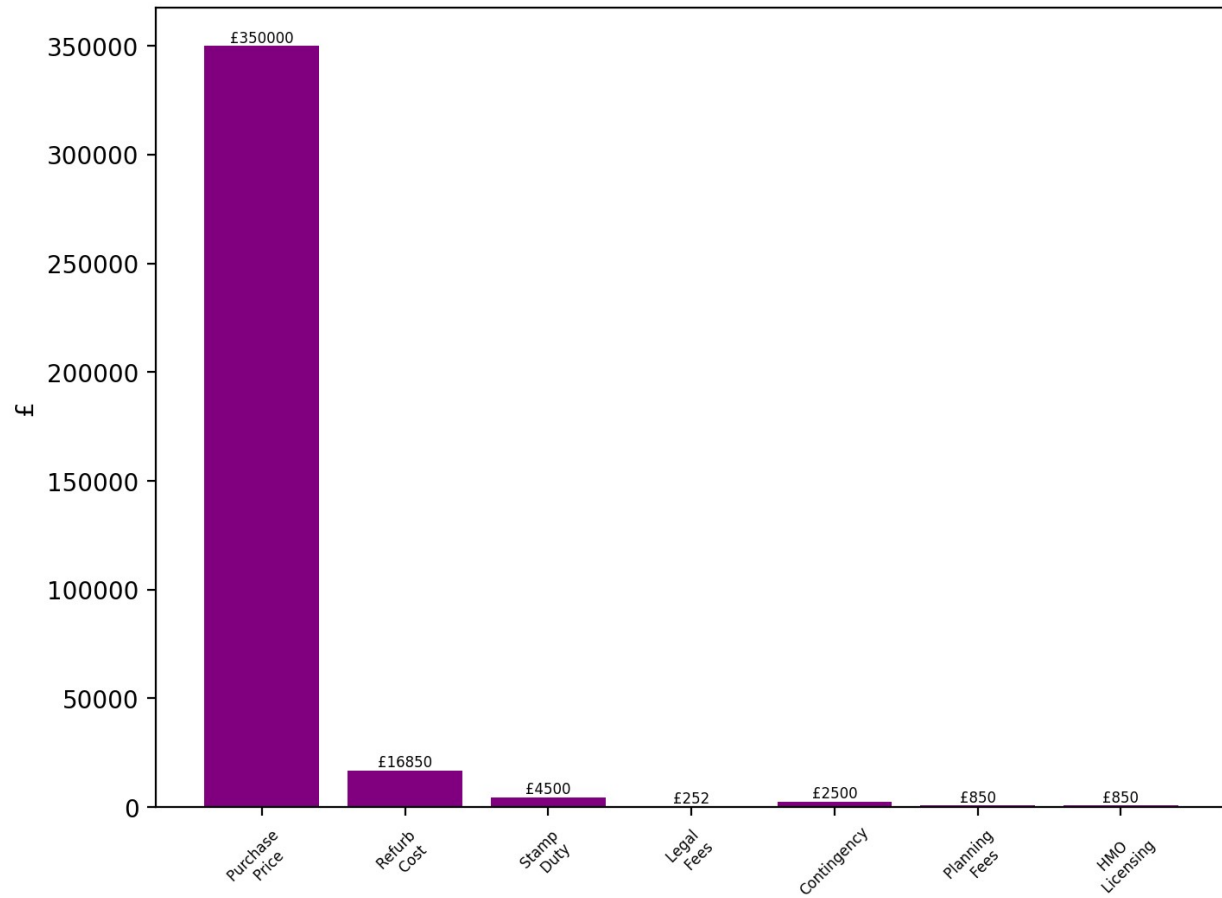


Figure: Cost Breakdown

Cash Flow Projections



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Cash Flow Projections

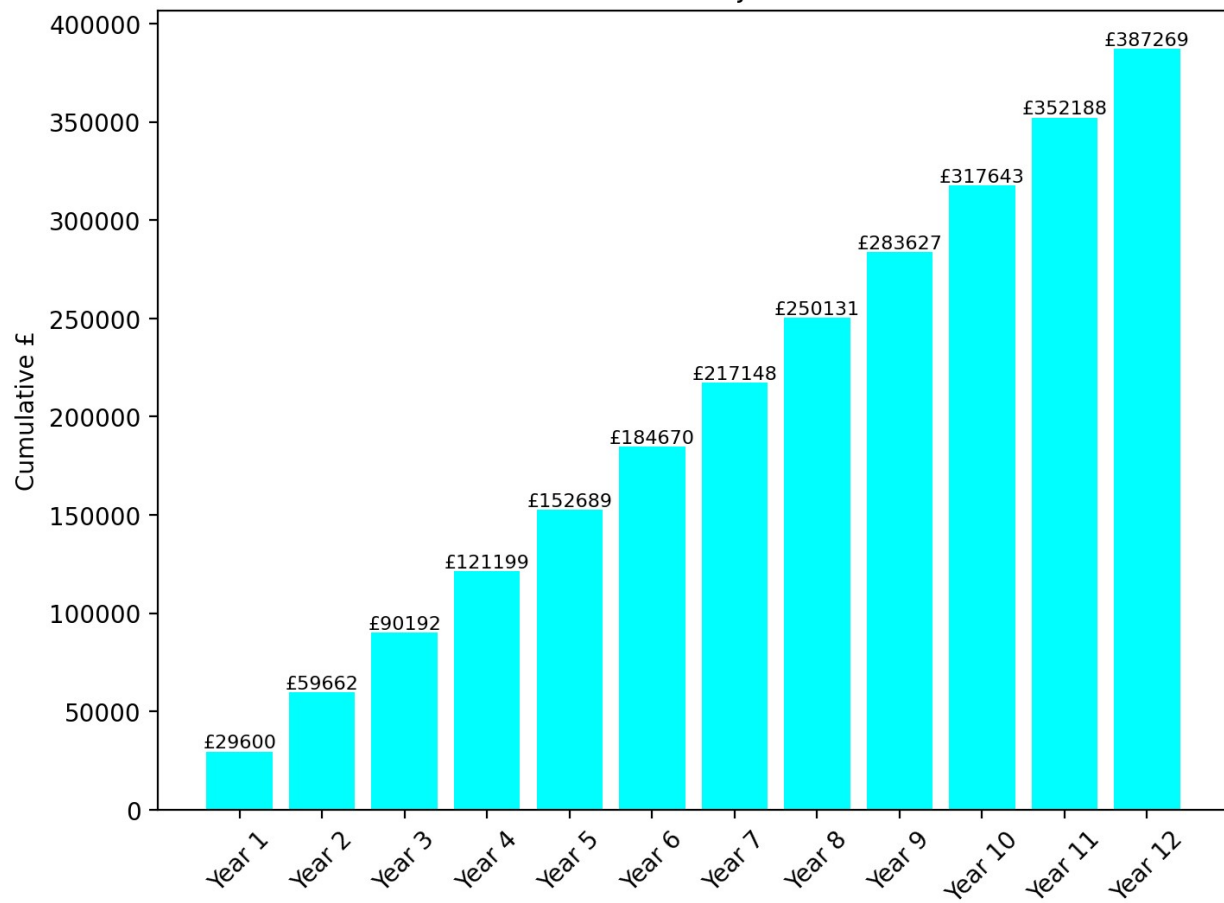


Figure: Cash Flow Projections

Cash Flow Waterfall



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Cash Flow Waterfall (Annual)

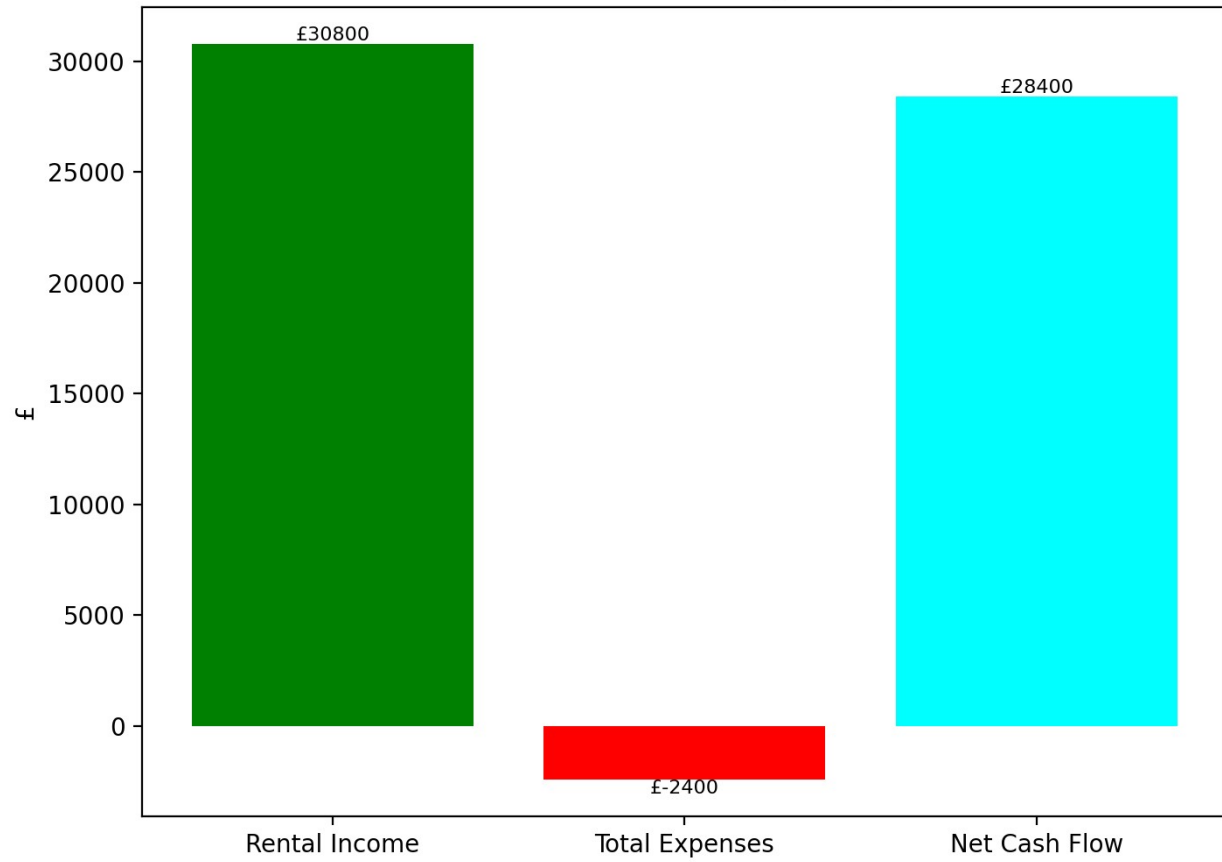


Figure: Cash Flow Waterfall

Investor Interest



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Investor Interest Levels

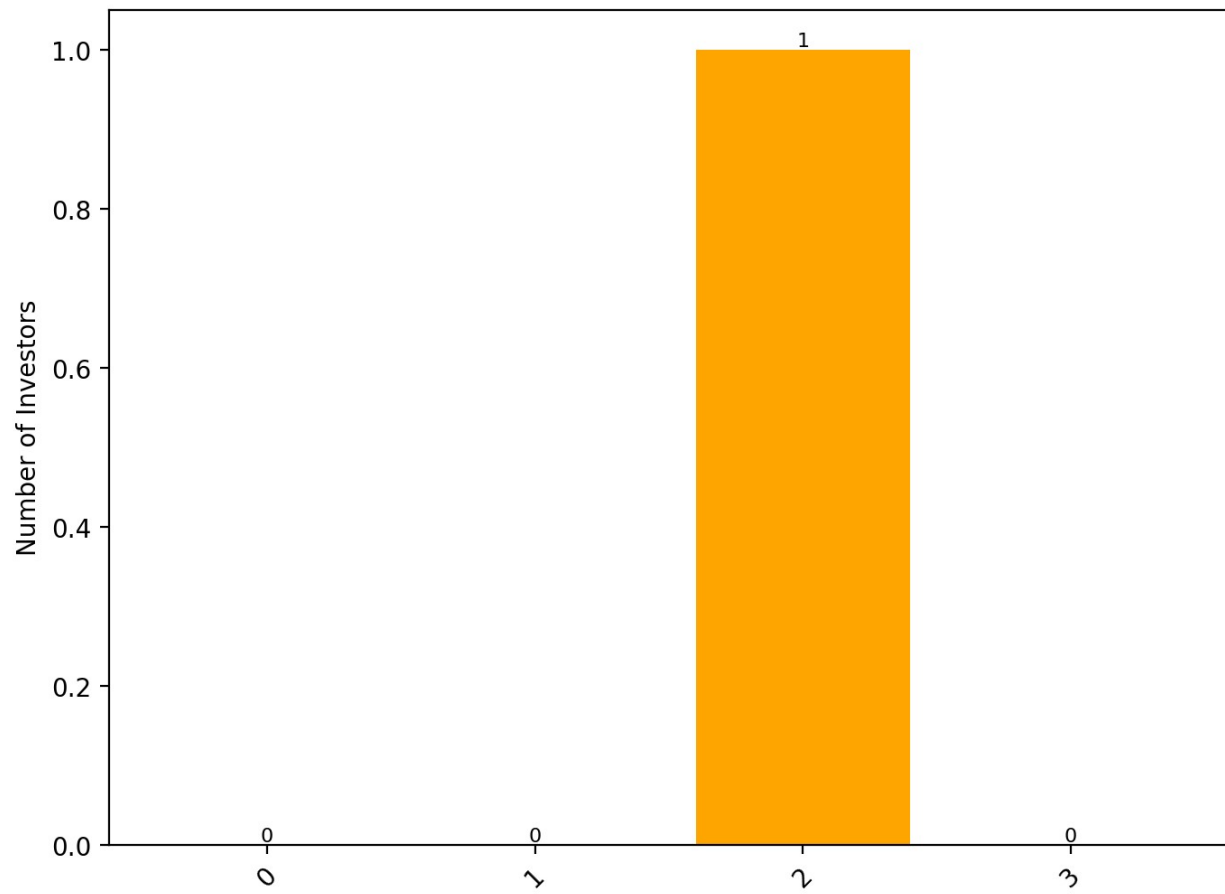


Figure: Investor Interest

Private Investor Returns



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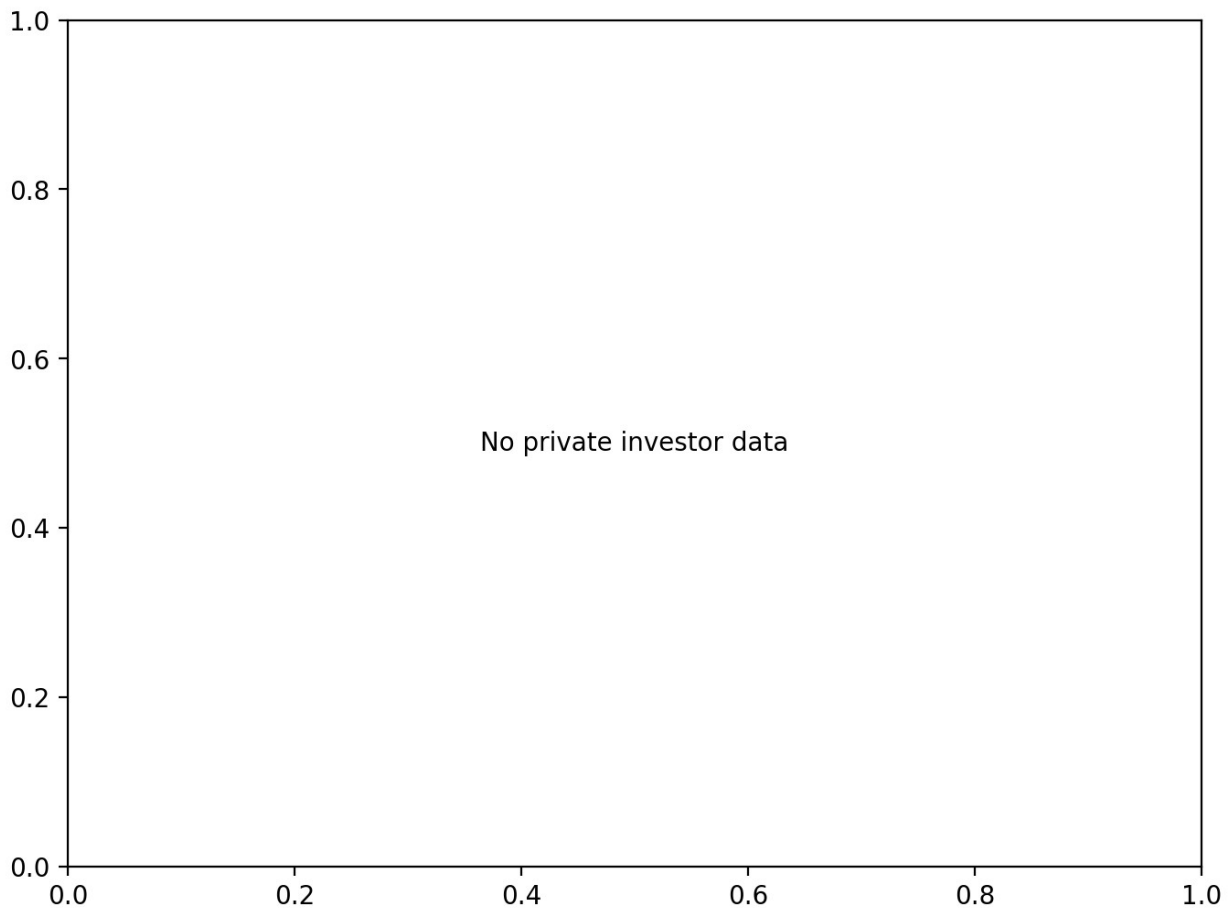


Figure: Private Investor Returns

Strategy Comparison



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HMO Comparison

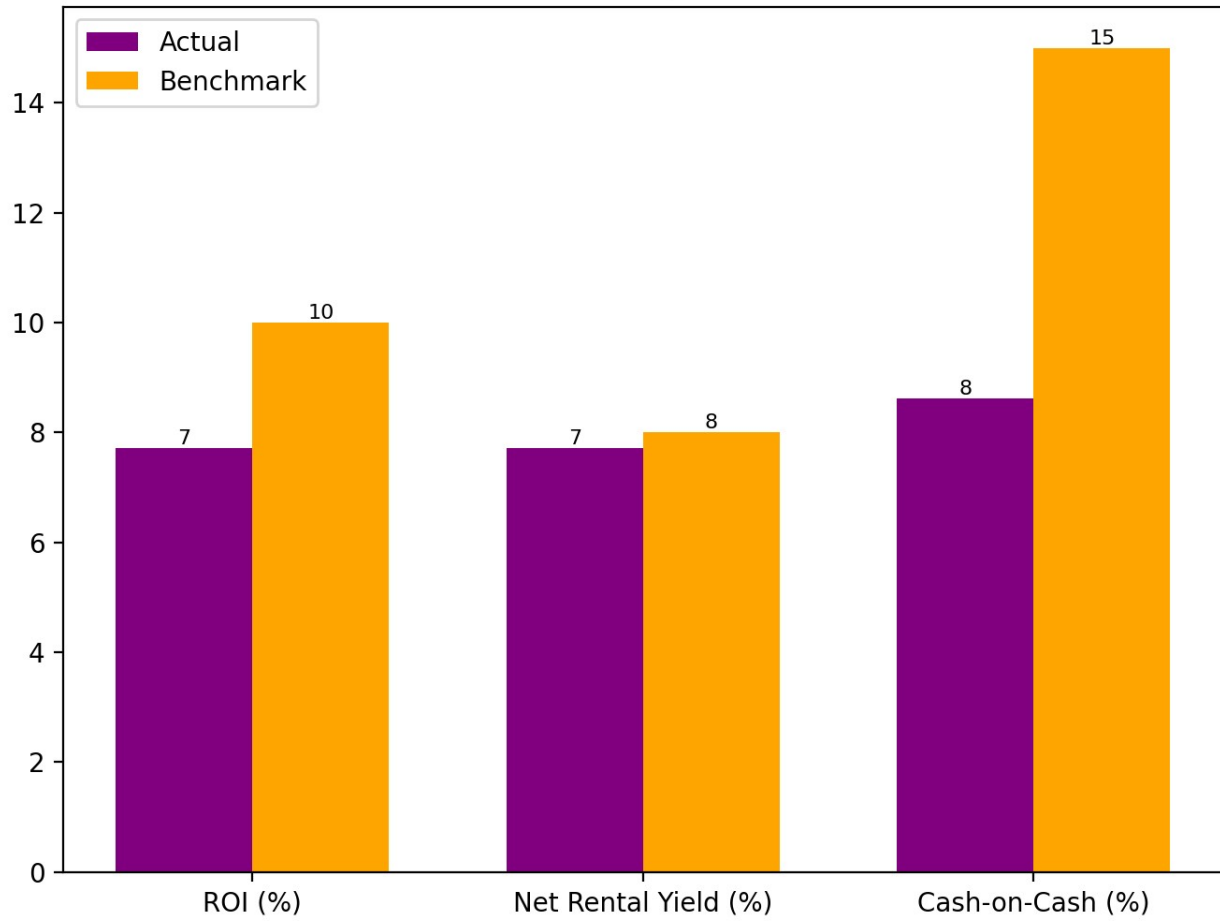


Figure: Strategy Comparison

NOI Over Time



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NOI Over Time

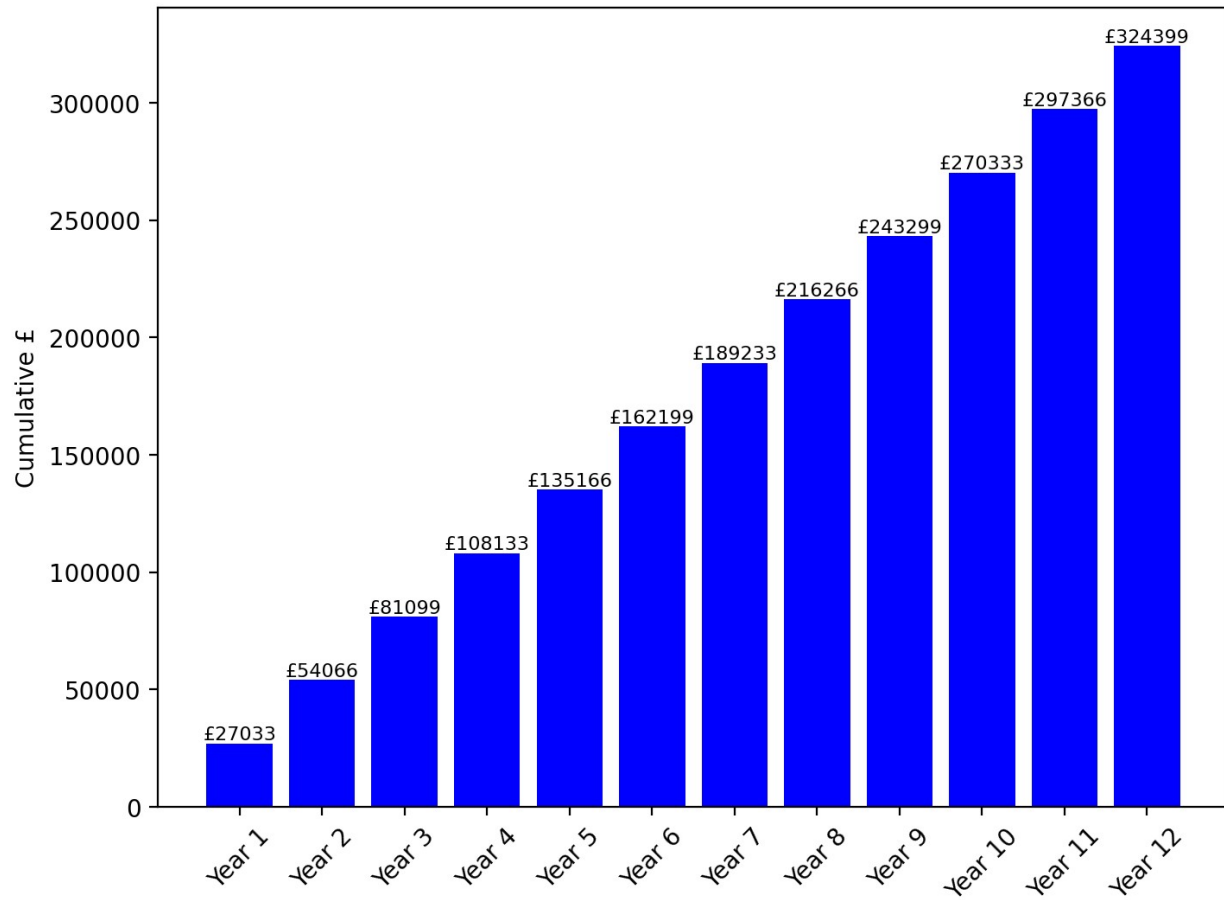


Figure: NOI Over Time

Net Profit by Occupancy



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Net Profit by Occupancy

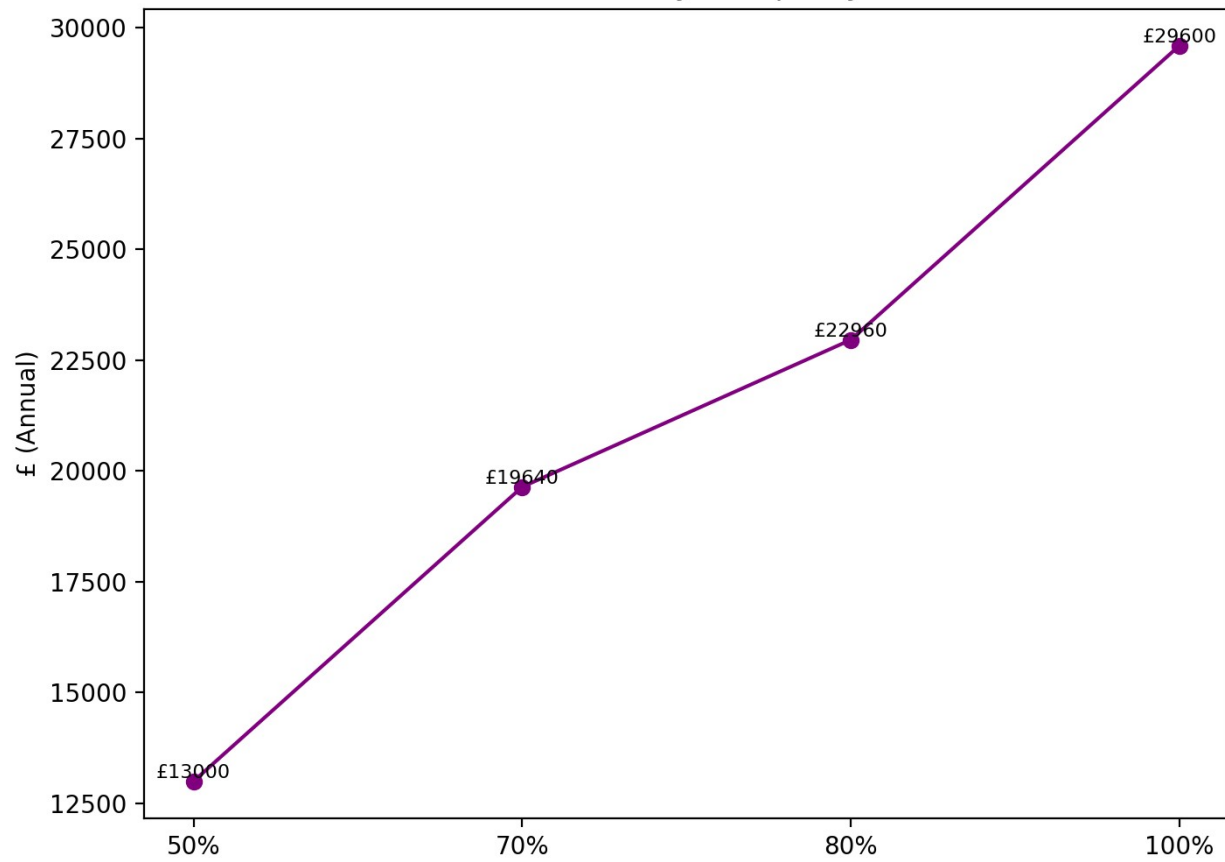


Figure: Net Profit by Occupancy

Rental Growth



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Annual Rental Income Growth

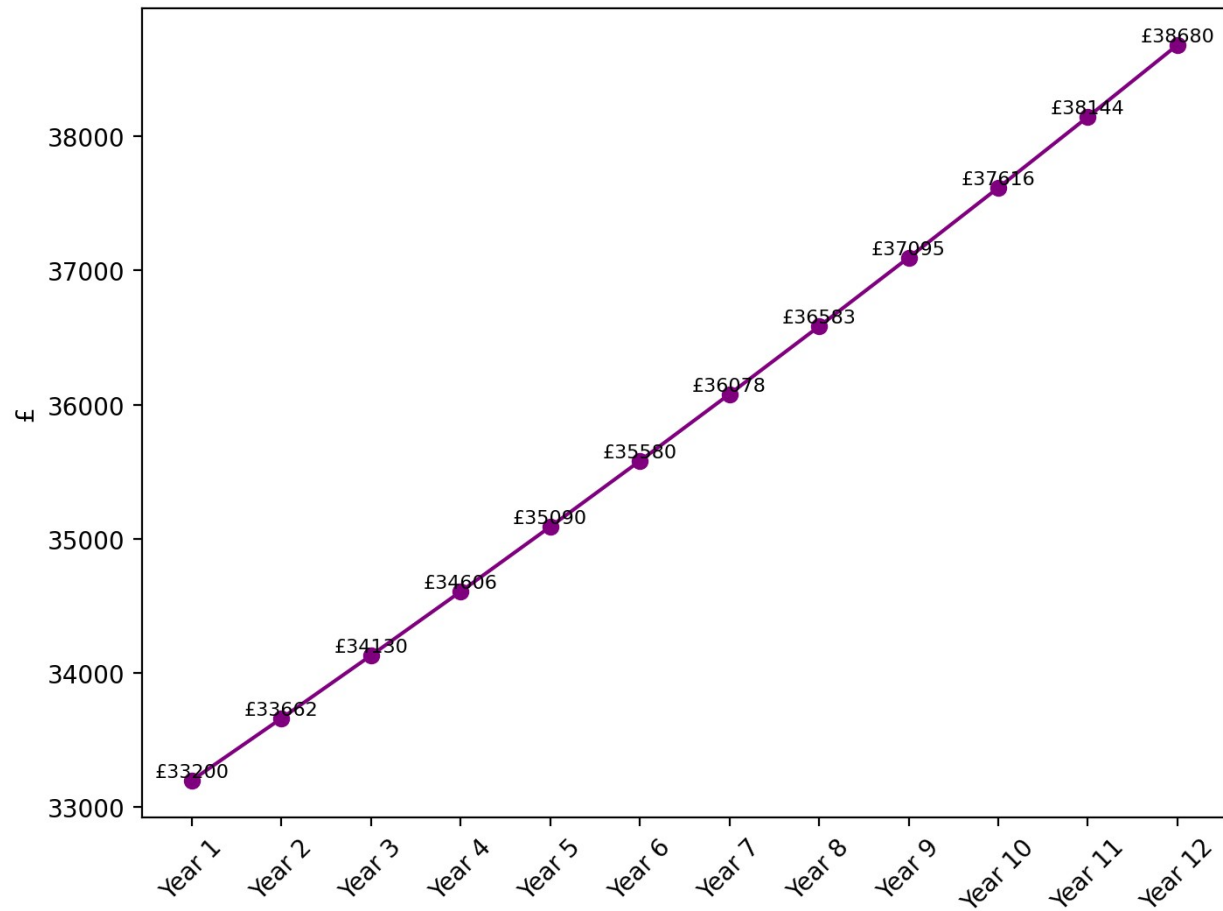


Figure: Rental Growth

Equity Growth



Vada Prime LLC Equity Growth

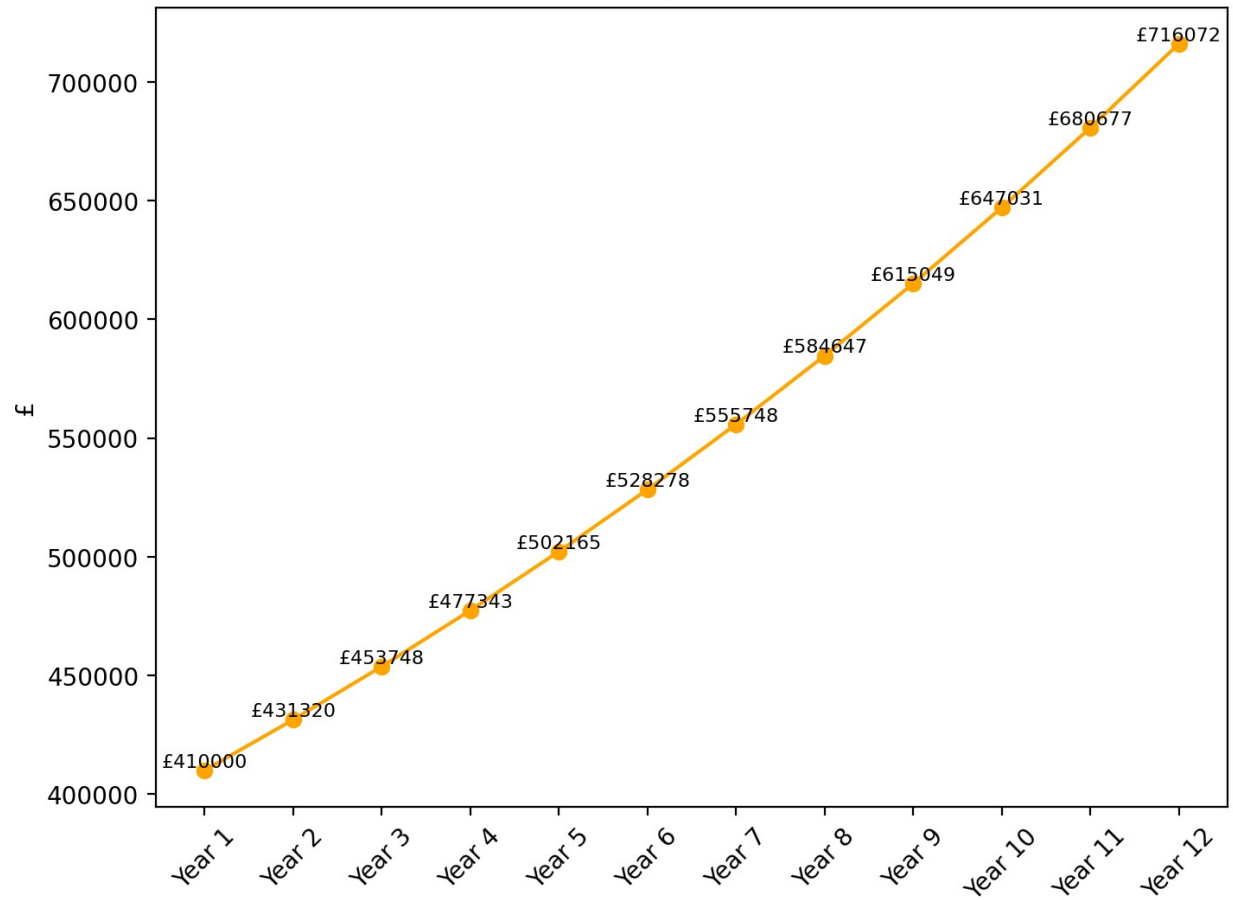


Figure: Equity Growth

Refurb and Other Costs



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Refurb and Other Costs Payoff

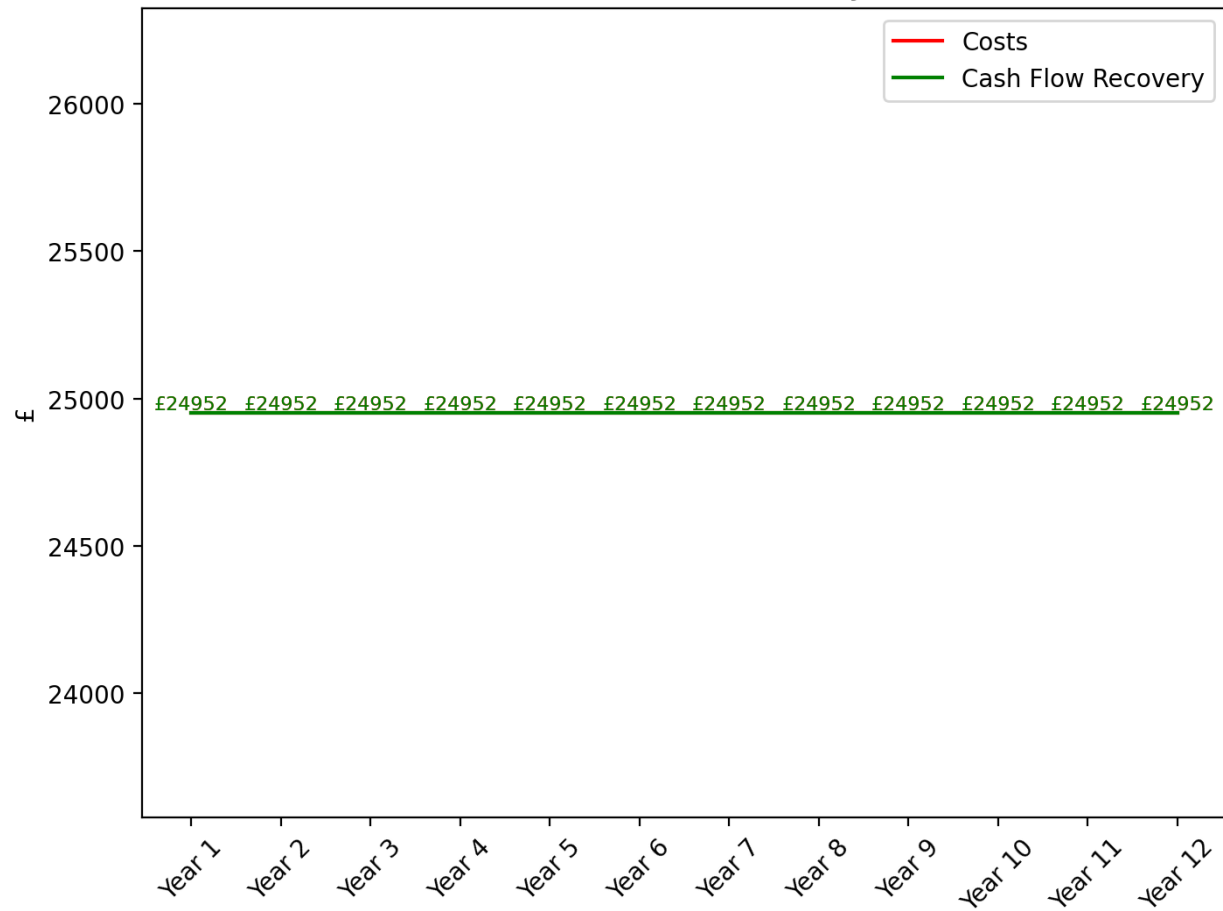


Figure: Refurb and Other Costs

NOI vs Cash Flow



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NOI vs Cash Flow Over Time

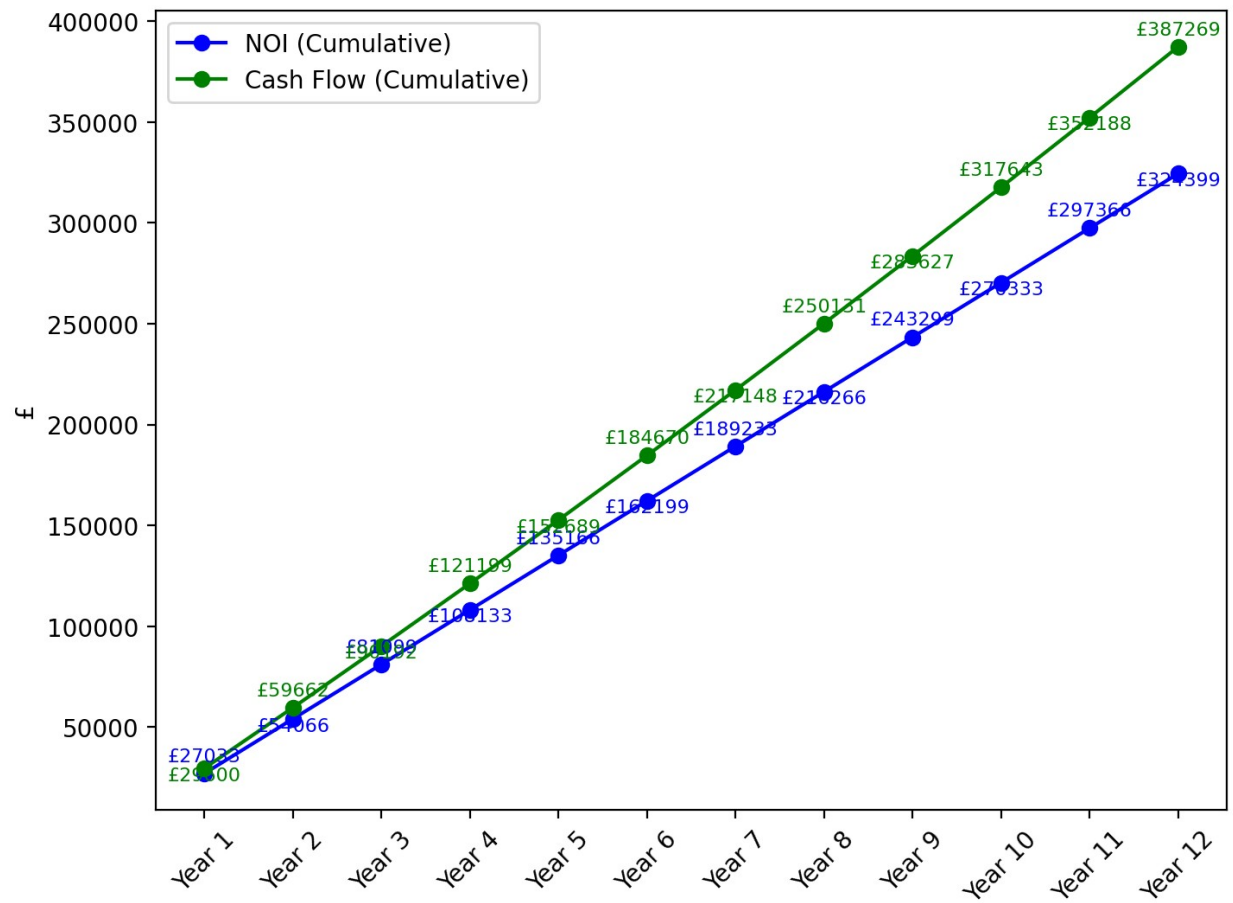


Figure: NOI vs Cash Flow

IRR Profile



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NPV vs Discount Rate (IRR Profile)

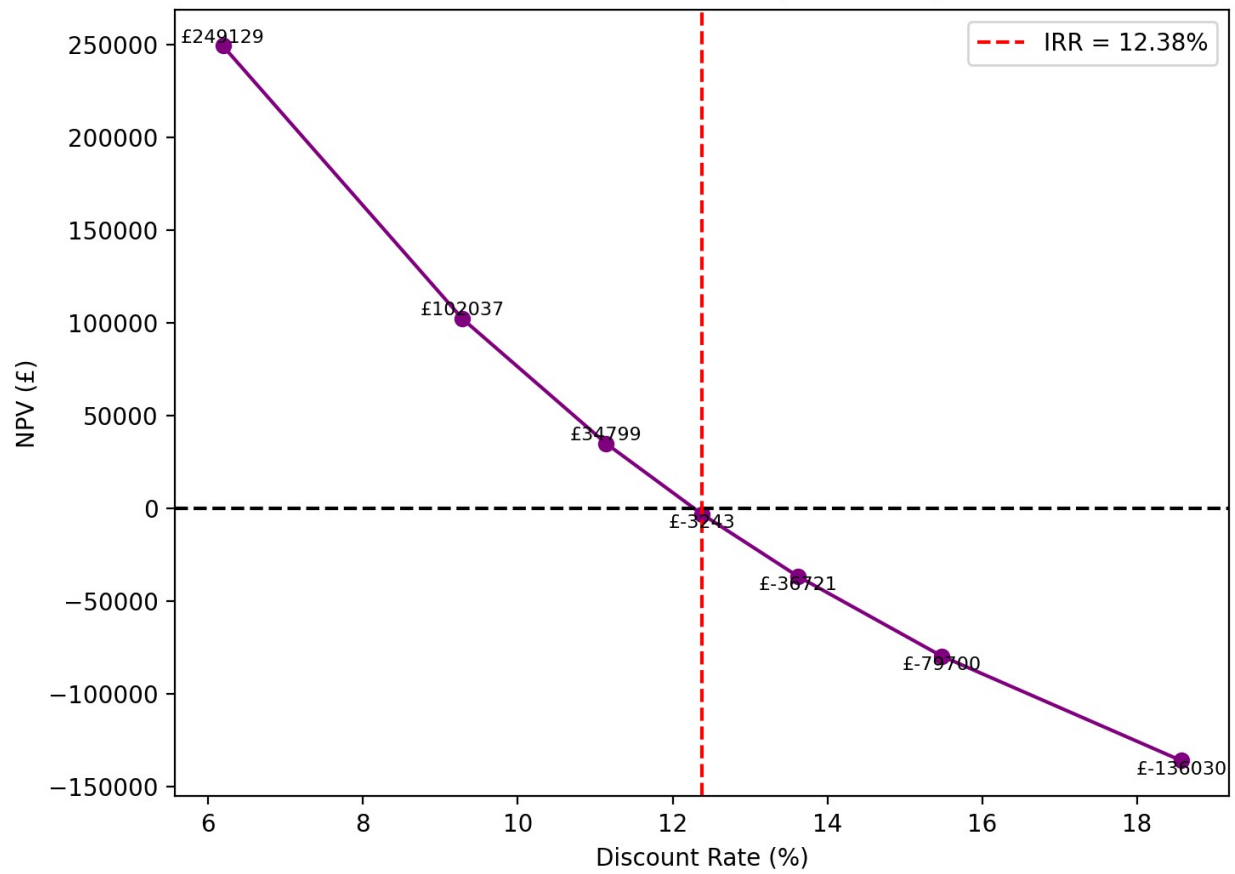


Figure: IRR Profile

KPI Trends



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KPI Trends Over Time

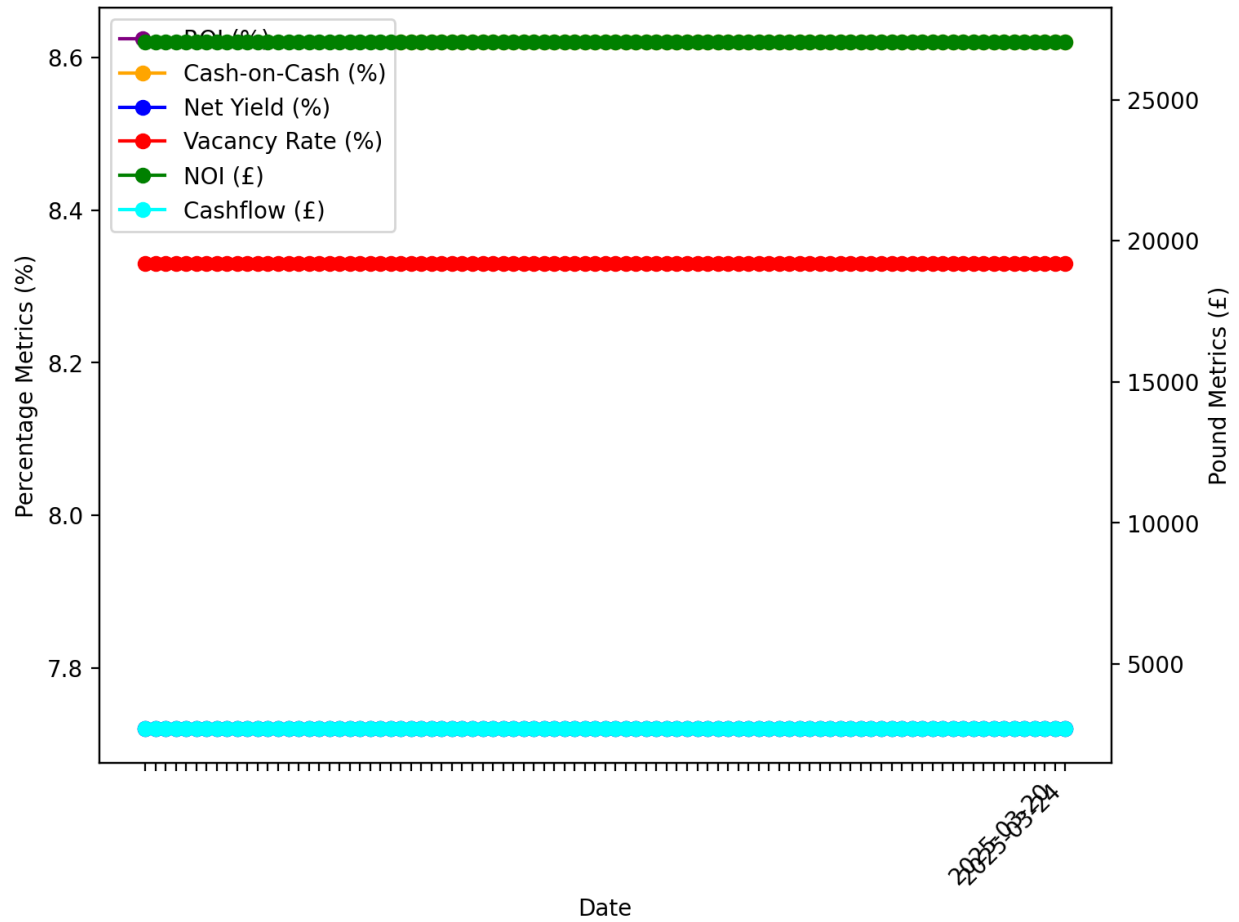


Figure: KPI Trends

GDV Breakdown



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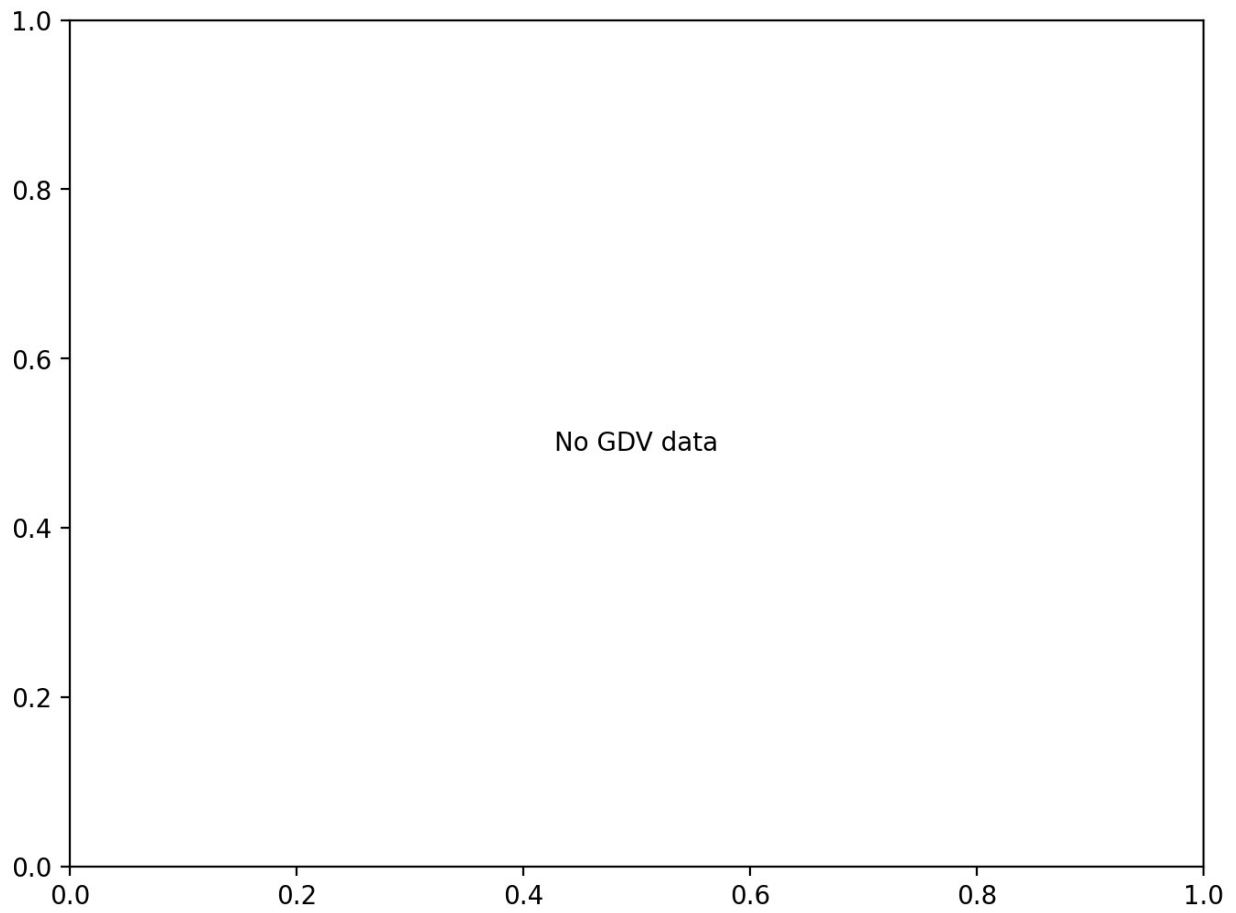


Figure: GDV Breakdown



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