

Deal Connect

SAMUELLEEDS

DUE DILIGENCE PACK

BRRR

PROPERTY DETAILS (Step 1)

Property Address	[insert address]
URL to the property	[insert link to video tour/brochure]
Comparable 1	[insert url]
Comparable 2	[insert url]
Comparable 3	[insert url]
Property Type	[insert type e.g. house, flat, etc.]
Number of bedrooms	[number of bedrooms]
Property Size in m2	[insert m2]
Agreed Purchase Price	[agreed price]
Refurbishment costs	[refurbishment costs]
Estimated GDV	[estimated Gross Development Value]
Type of Tenure	[Freehold or Leasehold]
Occupancy	[Vacant Possession or Tenanted]
Estate or Lettings Agent	[Insert agent's details]
Local amenities	[insert distance, where applicable, from schools, hospitals, universities, public transport, city centre, cinema, pubs and restaurants, etc.]
Does it feel safe at night?	[yes or no]

PURPOSE OF THE DEAL (Step 2)

<p>DELETE AS APPROPRIATE:</p>	<ul style="list-style-type: none"> I am selling the deal via deal connect I am selling the deal myself I am not selling the deal
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DEAL VIABILITY (Step 3)

<p>a. TOTAL COST = LESS THAN 75% END VALUE</p>	<p>Evidence that the purchase price (inc. all costs) plus the refurb price equal 75% or less of the estimated end value</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr><td style="text-align: center;">Purchase Price</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">Refurb costs</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">TOTAL COSTS</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">End value</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">% costs v end value</td><td style="text-align: center;">%</td></tr> </table>	Purchase Price	£	Refurb costs	£	TOTAL COSTS	£	End value	£	% costs v end value	%
Purchase Price	£										
Refurb costs	£										
TOTAL COSTS	£										
End value	£										
% costs v end value	%										

<p>b. TOTAL COST = 75-80% END VALUE</p>	<p>Evidence that the purchase price (including all costs) plus the refurb price are equal to 75-80% of end value</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr><td style="text-align: center;">Purchase Price</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">Refurb costs</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">TOTAL COSTS</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">End value</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">% costs v end value</td><td style="text-align: center;">%</td></tr> </table>	Purchase Price	£	Refurb costs	£	TOTAL COSTS	£	End value	£	% costs v end value	%
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% costs v end value	%										

<p>c. TOTAL COST = 80-90% END VALUE</p>	<p>Evidence that the purchase price (including all costs) plus the refurb price are equal to 80-90% of end value (e.g. your calculations)</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr><td style="text-align: center;">Purchase Price</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">Refurb costs</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">TOTAL COSTS</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">End value</td><td style="text-align: center;">£</td></tr> <tr><td style="text-align: center;">% costs v end value</td><td style="text-align: center;">%</td></tr> </table>	Purchase Price	£	Refurb costs	£	TOTAL COSTS	£	End value	£	% costs v end value	%
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End value	£										
% costs v end value	%										

<p>d. TOTAL COST = OVER 90% END VALUE</p>	<p>Evidence that the purchase price (including all costs) plus the refurb price are equal to more than 90% of end value (e.g. your calculations)</p> <table border="1" style="width: 100%; text-align: center;"> <tr> <td>Purchase Price</td> <td>£</td> </tr> <tr> <td>Refurb costs</td> <td>£</td> </tr> <tr> <td>TOTAL COSTS</td> <td>£</td> </tr> <tr> <td>End value</td> <td>£</td> </tr> <tr> <td>% costs v end value</td> <td>%</td> </tr> </table>	Purchase Price	£	Refurb costs	£	TOTAL COSTS	£	End value	£	% costs v end value	%
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DUE DILIGENCE (Step 4)

Question 1 – Property Viewing

<p>Answer 1</p>	<p>Evidence that a professional has viewed the property on your behalf (e.g. screenshot of email or message)</p> <p align="center">[INSERT EVIDENCE HERE]</p>
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<p>Answer 1 c</p>	<p>Evidence that you viewed the property yourself (e.g. photo, video or proof of appointment)</p> <p align="center">[INSERT EVIDENCE HERE]</p>
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Question 2 – Listed Building

<p>Answer 2 b</p>	<p>Evidence that you have factored in the cost of renovating a listed building (e.g. builder's quote)</p> <p align="center">[INSERT EVIDENCE HERE]</p>
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Question 3 – Planning Permission

Answer 3c	Evidence that you are likely to get planning permission (e.g. report from Planning Consultant) [INSERT EVIDENCE HERE]
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Question 4 – Permitted Development Rights

Answer 4 b	Evidence that you will be able to use Permitted Development Rights (e.g. report from Planning Consultant) [INSERT EVIDENCE HERE]
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Question 5 – Comparables

Answers 5a, 5b and 5c	Gross Development Value: £..... Evidence of comparable properties (e.g. screenshots of comparables) [INSERT URLs HERE]
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Question 6 – Standard Construction

Answer 6 b	Confirmation from Mortgage Broker that you will be able to obtain finance on this property (e.g. email or message from broker) [INSERT EVIDENCE HERE]
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Answer 6 c	Evidence that this property is of standard construction (e.g. estate agent brochure or Title Deeds) [INSERT EVIDENCE HERE]
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Question 7 – Refurbishment & Builders’ Quotes

Answers 7 a	PART 1: Explain the extent of the refurbishment (e.g. converting house into flats, adding bedrooms, structural changes or light refurb or cosmetic changes only). REFURB EXTENT: PART 2: Evidence of multiple builders’ quotes for the refurbishment [INSERT EVIDENCE HERE]
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Answers 7 b	PART 1: Explain the extent of the refurbishment (e.g. converting house into flats, adding bedrooms, structural changes or light refurb or cosmetic changes only). REFURB EXTENT: PART 2: Evidence of your own builder’s refurbishment quote as you are a builder [INSERT EVIDENCE HERE]
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Answers 7 c	PART 1: Explain the extent of the refurbishment (e.g. converting house into flats, adding bedrooms, structural changes or light refurb or cosmetic changes only). REFURB EXTENT: PART 2: Evidence of one builder’s quote for the refurbishment [INSERT EVIDENCE HERE]
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Answer 7 d	<p>PART 1: Explain the extent of the refurbishment (e.g. converting house into flats, adding bedrooms, structural changes or light refurb or cosmetic changes only).</p> <p>REFURB EXTENT:</p> <p>PART 2: Quote My Refurb (e.g. screenshot or report)</p> <p>[INSERT EVIDENCE HERE]</p>
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Answer 7 e	<p>PART 1: Explain the extent of the refurbishment (e.g. converting house into flats, adding bedrooms, structural changes or light refurb or cosmetic changes only).</p> <p>REFURB EXTENT:</p> <p>PART 2: Evidence of your own detailed quote for this refurbishment, as you have experience of refurbishments</p> <p>[INSERT EVIDENCE HERE]</p>
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Question 8 – No answer required

Question 9 – Article 4 (SA)

Answer 9b	<p>Evidence that this is an Article 4 area and that you will have factored in obtaining planning permission (e.g. costs and timescale to obtain permission)</p> <p>[INSERT EVIDENCE HERE]</p>
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Question 10 – Head Lease Restrictions (SA)

Answer 10 a	<p>Evidence that you have seen the Head Lease and there are no restrictions (e.g. copy of the Head Lease)</p> <p>[INSERT EVIDENCE HERE]</p>
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Answer 10 b	Evidence that the Head Lease has no restrictions from the landlord or agent (e.g. email from landlord or agent) [INSERT EVIDENCE HERE]
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Question 11 – Comparables (SA)

Answer 11 a, b and c	Evidence of comparables showing nightly rates and occupancy rates (e.g. urls of comparables from propertymarketintel.com or similar) [INSERT EVIDENCE HERE]
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Question 12 – Property Classification (HMO)

Answer 12 a, b or c	Evidence of the property classification (C,3, C4 or Sui Generis) (e.g. screenshot from local authority or estate agent) [INSERT EVIDENCE HERE]
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Question 13 – Room Sizes (HMO)

Answer 13 a	Evidence that you measured the room sizes yourself (e.g. your own measurements) [INSERT EVIDENCE HERE]
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Question 14 – Article 4 (HMO)

Answer 14 a	Evidence that the property is not in an Article 4 area (e.g. screenshot from local authority map or other source) [INSERT EVIDENCE HERE]
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Answer 14 b	Evidence that the property has grandfather rights and certificate of lawfulness (e.g. screenshot from local authority map or other source) [INSERT EVIDENCE HERE]
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Answer 14 c	Evidence that the property is not in an Article 4 area but it may be coming soon (e.g. screenshot from local authority map or other source) [INSERT EVIDENCE HERE]
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Question 15 – HMO Licence (HMO)

Answer 15b	Evidence that you require permissions to run an HMO at the property but have calculated these costs and the time-scale to obtain these permissions (e.g. costs and time estimate to obtain permission) INSERT EVIDENCE HERE]
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Question 16 – HMO Licence (HMO)

Answer 18 a	Evidence of HMO licence (e.g. screenshot and link from local authority register of licensed HMOs for the property's address) [INSERT EVIDENCE HERE]
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Question 17 – Demand (HMO)

Answers 17 a, b, c and d	Evidence of demand (e.g. screenshots from HMO managers in writing, or links to spareroom.co.uk, propertymarketintel.co.uk, etc) [INSERT EVIDENCE HERE]
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Question 18 – Estimations of Rental (HMO)

Answers 18 a	Estimation of rental – exact address (e.g. HMO Managers estimate of rental value for that specific address) [INSERT EVIDENCE HERE]
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Answers 18 b	Estimation of rental – very comparable property (e.g. links spareroom.co.uk, propertymarketintel.co.uk, etc of VERY comparable property renting at that price) [INSERT EVIDENCE HERE]
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Answers 18 c	Estimation of rental – almost comparable property (e.g. links to spareroom.co.uk, propertymarketintel.co.uk, etc of an ALMOST comparable property renting at that price) [INSERT EVIDENCE HERE]
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Question 19 – Estimations of Rental (BTL)

Answers 19 a	Estimation of rental – exact property (e.g. screenshots from letting or estate agent in writing) [INSERT EVIDENCE HERE]
Answers 19 b	Estimation of rental – very comparable property (e.g. screenshots from fromspareroom.co.uk, propertymarketintel.co.uk, etc) [INSERT EVIDENCE HERE]
Answers 19 c	Evidence of Demand – almost comparable property (e.g. screenshots from fromspareroom.co.uk, propertymarketintel.co.uk, etc) [INSERT EVIDENCE HERE]

Question 20 – Mortgage

Answer 20 a	Evidence of mortgage quote or online mortgage calculator for a 75% BTL interest-only mortgage for the finished value (e.g. email from broker or screenshot of mortgage calculator) [INSERT EVIDENCE HERE]
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Question 21 – Mortgage Stress Test

Answer 21 a	Evidence that the monthly rental is the same or less than the mortgage (e.g. show the two figures separately and the percentage difference between them) [INSERT EVIDENCE HERE]
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Answer 21 b	Evidence that the monthly rental is 1-25% more than the monthly mortgage payment (e.g. show the two figures separately and the percentage difference between them) [INSERT EVIDENCE HERE]
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Answer 21 c	Evidence that the monthly rental is 25%+ more than the monthly mortgage payment (e.g. show the two figures separately and the percentage difference between them) [INSERT EVIDENCE HERE]
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Question 22 – Freehold Property

Answer 22 b	Evidence that the property is freehold (e.g. Estate Agent's brochure or Title Deeds) [INSERT EVIDENCE HERE]
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Question 23 – Leasehold Property

Answer 23 a	Evidence that the property is leasehold (e.g. Estate Agent's brochure or Title Deeds) [INSERT EVIDENCE HERE]
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Question 24 – Length of Lease

Answer 24 a	Evidence that Lease is over 100 years (e.g. Estate Agent's brochure or Title Deeds) [INSERT EVIDENCE HERE]
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Answer 24 b	Evidence that Lease is under 100 years and evidence of quote to extend the lease (e.g. Estate Agent's brochure or Title Deeds and quote to extend – email or screenshot) [INSERT EVIDENCE HERE]
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Question 25 – Vacant Possession

Answer 25 a	Evidence that the property is acquired with vacant possession (e.g. Estate Agent or landlord's email) [INSERT EVIDENCE HERE]
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Answer 25 b	Evidence that the property is tenanted (e.g. Estate Agent's email or Tenancy Agreement) [INSERT EVIDENCE HERE]
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Question 26 – EPC Rating

Answers 26 a, b and c	Evidence of EPC Rating (e.g. Estate Agent's brochure or screenshot) [INSERT EVIDENCE HERE]
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Answer 26 d	Evidence of EPC Rating and costs to upgrade (e.g. Estate Agent's brochure and quote to upgrade) [INSERT EVIDENCE HERE]
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Question 28 does not require evidence

Question 29 – Auction Fees

Answer 30 a	Please provide evidence that you have included Auction fees in your calculations (e.g. your calculations) [INSERT EVIDENCE HERE]
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Question 30 – Legal Pack (Auctions only)

Answer 32 a	Evidence that solicitor has read the legal pack and approved the purchase of the property (e.g. solicitor's email or letter) [INSERT EVIDENCE HERE]
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Question 31 – Survey (Auctions only)

Answers 33 a	Evidence of independent building survey (e.g. independent surveyor's report) [INSERT EVIDENCE HERE]
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