

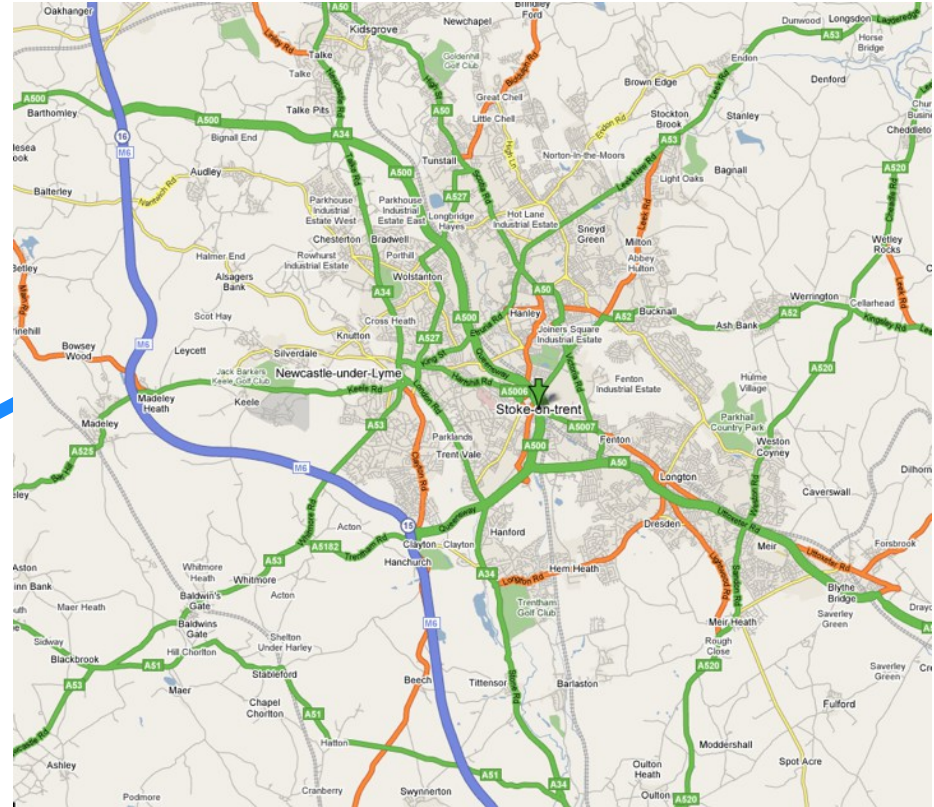


Who are BK Associates?

- Property Investment Consultants
- Based in the Midlands (Stoke-on Trent)
- 200 property purchased since 2000 worth over £40 Million
- Experienced landlords/agents
- Source residential & commercial property



Where does Property Fit Operate?



Why Invest in the Stoke-on-Trent?

- Regeneration area
- Terraced houses half price of national average
- Rental yield 6%+
- High demand for rental property
- Investment from Local Authorities
- Good stock and opportunities
- Mindset for renting

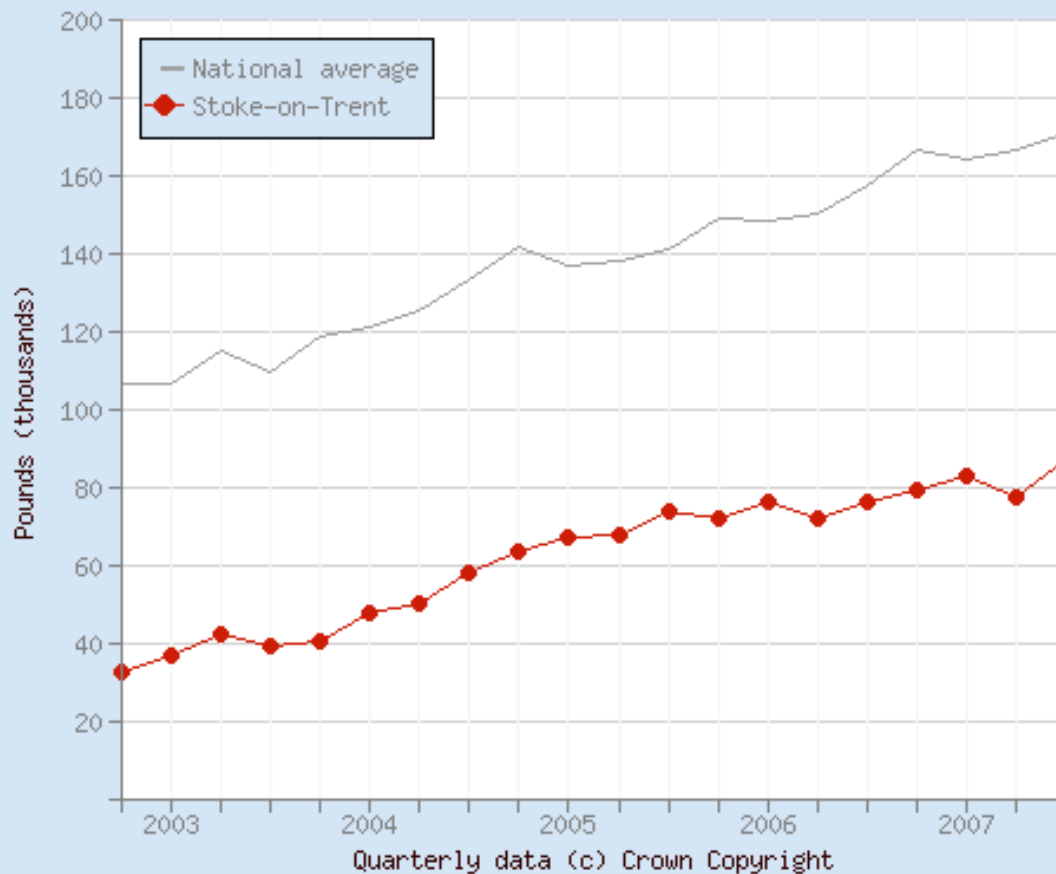


Why Buy Terraced vs. New Build?

- Lower Acquisition Costs
- Potential to renovate
- Higher Yields
- Higher Rental Demand
- Higher Capital Growth



Prices for terraced properties from 2002 to 2007



www.bkassociates.co.uk

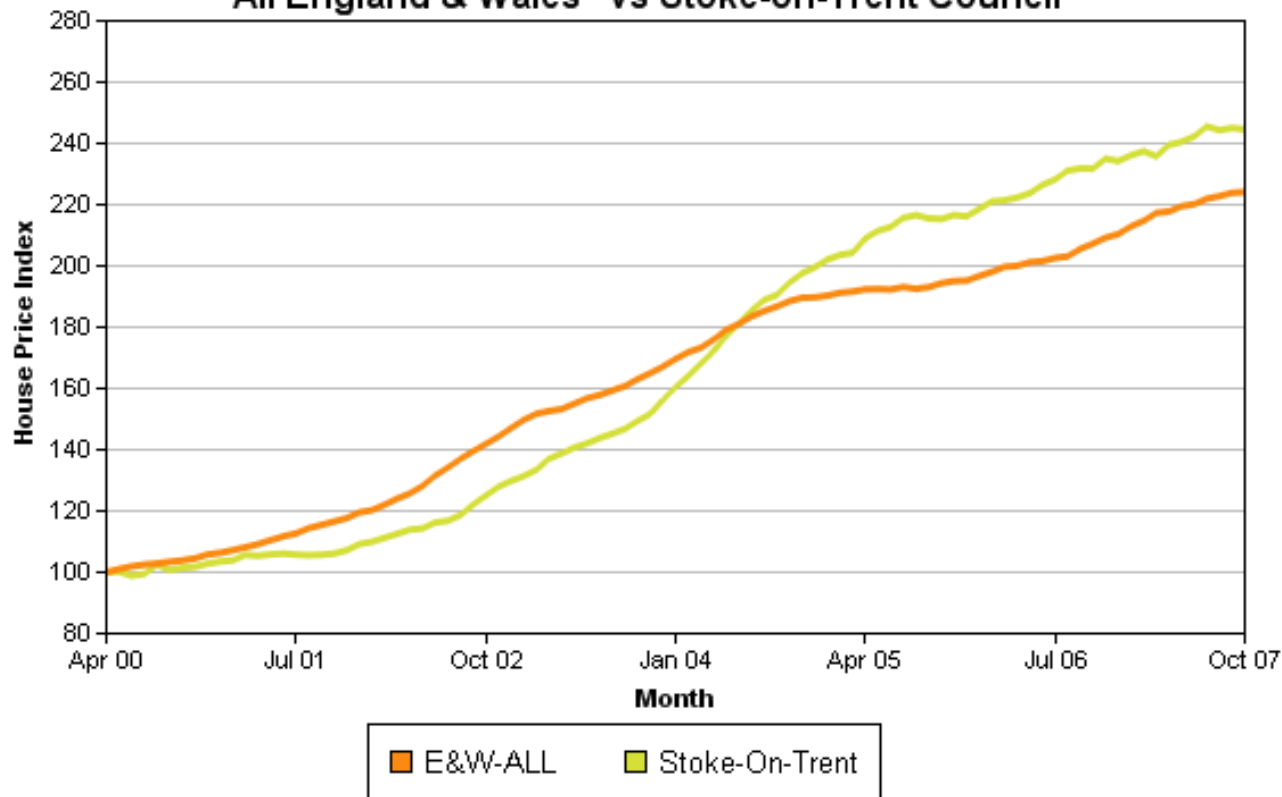
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House Price Index Comparison All England & Wales vs Stoke-on-Trent Council



View of Street



Kitchen



Lounge



Hallway



Bathroom



How does the Process Work?

- Agree client strategy
- Property Selection
- Price Negotiation
- Arrange finance
- Oversee Buying Process
- Repairs if necessary
- Get property tenanted
- Handover to Client



Sourcing Property

- Estate Agents – close links
- Landlords sales – direct to BK Associates
- Advertising
- Houses bought for cash through local papers
- 3rd Party Sales – i.e. sub-contractors
- Other agents



What is the cost?

- 2 bed mid-terrace house
- Purchase price £75,000
- 15% Deposit £11,250
- Other purchase costs £1000
- Expected monthly rent £400
- Mortgage (int. only @ 5.5%) £292
- Gross monthly profit £108
- Gross Yield 6.4%

All figures may vary, in particular the mortgage interest rate



What are BK Associates' Fees?

- £2,000 per property
- 5% for commercial property
- 10% discount for 3 or more properties
- £250 for minor renovation work
- 10% fee for major renovations
- £250 for day visit (non-client)



‘Cash for Homes’

- Properties sourced below market value
- Distress sales – prior to repossessions
- Properties direct from seller
- Advertised via leaflets and banners
- Option for vendors to rent back

Website: www.homebuyerstoke.co.uk



Commercial properties

B K Commercial is the commercial arm of Property Fit.

It runs in the same way as BK Associates.



Why Invest In Commercial?

- Typically Yields are higher than residential yields (7-12% achievable).
- Commercial Leases are usually at least 3 years & often much longer.
- Most Leases have rental uplifts written in.
- FRI (Full Repairing Insuring) leases place the cost and responsibility of maintenance onto the tenant.
- Where there is a residential element present the 2 income streams help to combat 'void' periods.



Types Of Commercial Property

- Office
- Retail
- Industrial
- Leisure



Preferred Service Providers

Financial Services

Sycamore Group

£295 per instruction

Mortgages & Full Financial Review

Conveyancing

Jamesons Solicitors

Browell Smith & Co

£300 + VAT + Disbursements



Questions?

