



ASTON EAVES

SUNNINGVIEW APARTMENTS

TORQUAY, TQ1 3LF, UK

Holiday Home Investments

- 16% gross yielding investments
- 13.47% net yielding investments
- Prices from £63,000 to £99,000
- Cash flow positive investments
- Fully turnkey: nothing else required
- Managed, hands off investment

Proposal Ref: 2012TQ20

Tags: UK, Cash flow, Holiday, Rental Yields

Date: February 2012

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REF: SUNNINGVIEW, TORQUAY

▶ IMAGE



▶ DESCRIPTION

The holiday let has uninterrupted sea views across Lyme Bay, the boasting one of the most enviable locations in Torquay.

20 apartments within the building pictured below, with the following availability:

Three x studio apartments
Ten x 1 bedroom apartments
Seven x 2 bedroom apartments

Other key features include:

Large private car park
Large attractive gardens
Newly fitted kitchens
21" remote control TV
Residents laundry room
Fully double glazed with central heating
All bathrooms have bath and shower
Close to shops, theatre, restaurants and bars
Close to sports facilities - golf, bowls and tennis
Coastal cliff walks in both directions
Open all year

▶ FACTS

Commercial financing is available directly from the associated bank with this sale at 70% LTV. However, the bank has stipulated that a minimum of four units must be purchased as a bundle.

LOCATION PROFILE

Council Tax Band	E (£1493.44 /year)
Income	Very high
Nearest School	0.18 Miles
Nearest Rail Station	1.12 Miles
Crime	Below UK average

HISTORICAL COMPARABLES

Previous sales	n/a
26 Greenace (sold for in 2005)	£260,000
117 Greenacre (sold for in 2009)	£310,000
Original Sales Price	n/a
Discount Percentage	18%

PURCHASE DETAILS

Bedrooms	Studio to two
Bathrooms	1
Size	500 to 780 sq.ft.
Original Sales Price	n/a
Discount Percentage	18%
Discount Amount	£24k - £29k
Asking Price	£65k-£100k



PROPOSAL SPECIFICS

WHERE IS THE LOCATION OF THIS INVESTMENT?

Sunningview Apartments, Torquay, Devon, England, TQ1 3LF

WHAT STAGE OF BUILD IS IT IN?

Finished. It has been in operation since the late 90's.

WHAT IS THE SALES PRICE PER UNIT?

Prices vary according to whether the client is interested in a studio apartment, a 1 bed apartment or a 2 bed apartment. Please see the sales schedule to determine prices.

WHY CAN'T I BUY IT FROM THE DIRECTLY FROM THE BUSINESS OPERATOR/BANK?

We are acting as agents for the disposing partner. We have been given rights to sell this on behalf of the client.

HOW MANY UNITS ARE THERE?

The total availability is only 20 units with all the units being sold on a 125 year lease.

ARE THERE ANY PARKING SPACES?

Yes, but the parking is not available for sale from the freeholder.

I HAVE NEVER BOUGHT HOLIDAY LETS BEFORE - WHAT'S THE BENEFIT?

This is up to you to decide as an investor. At Aston Eaves, we receive requests from clients to source and find all different types of assets and investments. We have a healthy number of investors who are strong believers of holiday lets due the higher rental yields on offer.

WHAT KIND OF UNITS ARE THEY?

The apartments come with a complete appliance package including a dishwasher, refrigerator/freezer, microwave, electric range with oven and a washer and dryer set. All kitchens feature double stainless steel sinks. Smoke detectors are installed throughout the unit.



FURTHER IMAGES



▶ View from the apartments



▶ 20 units within two buildings



▶ A twin room apartment



▶ Typical bathroom and WC



▶ A double room apartment



▶ Typical kitchen layout



UNITS AVAILABLE FOR SALE

Clients have two options: To buy one to three units at the unit price listed below. Should the client buy four or more using either cash or financing, we offer a 'Unit Price on 4' as listed below with discounts of circa £4,000 per unit.

Unit	Floor	Type	Gross Yearly Income	15% Management Charge	Net Yearly Income	Unit Price	Net Yield %	Unit Price on 4	Net Yield % on 4 units
1	Grd	Studio	£11,208.00	£1,681.20	£9,526.80	£71,012	13.4	£67,512	14.1
1a	Grd	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
2	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
3	Grd	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
4	Grd	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
5	Grd	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
6	Grd	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
7	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
8	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
9	1st	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
10	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
11	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
12	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
14	1st	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
15	Grd	Studio	£11,208.00	£1,681.20	£9,526.80	£71,012	13.4	£67,512	14.1
16	Grd	2 Bed	£17,390.00	£2,608.50	£14,781.50	£106,043	13.9	£102,543	14.4
17	Grd	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
18	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
19	1st	1 Bed	£13,033.00	£1,954.95	£11,078.05	£81,353	13.6	£77,853	14.2
20	Grd	Studio	£11,208.00	£1,681.20	£9,526.80	£71,012	13.4	£67,512	14.1



COMPARABLES AND MARKET PRICES



- ▶ **£76,000**
- ▶ **1 bed flat | Esplanade Road, Paignton, TQ4**

A first floor apartment that enjoys an enviable location just off Paignton seafront with seaviews to Torquay, comprising security entrance, entrance hall, open plan living area with modern fitted kitchen, 1 bed & a newly fitted kitchen.



- ▶ **£95,000**
- ▶ **1 bed flat | Lords Place, Bronshill Road, Torquay TQ1**

This is a well presented apartment positioned in a quiet location with a pleasant outlook over parts of Torquay. Offering a lounge, fully fitted kitchen, double bedroom, bathroom and garden. Ideal as a holiday investment.



- ▶ **£125,000**
- ▶ **2 bed flat | Torwood Gardens Road, Torquay, Devon**

Situated in Torwood and just a short distance to Torquay Harbour and Seafront, a two bedroom (master en-suite) apartment ideal for a first time buyer, holiday home or buy to let.



- ▶ **£139,950**
- ▶ **1 bed flat | Shaldon, Teignmouth, Devon**

This beautifully presented one bedroomed apartment with quality finishes is presently used as holiday accommodation (sleeps 2 - 4). High Season income £600 per week.

Information above courtesy of Rightmove.co.uk and Zoopla.com (15.02.2012)



ROI - 2 BED EXAMPLE

Purchase details	Description
Bedrooms	2
Bathrooms	1
Size	780 sq.ft.
Sales Price	£130,000
Discount Percentage	18.4%
Discount Amount	£23,957
Aston Eaves Price	£106,043

Single unit purchase analysis		Figures
Unit purchase price		£106,043
Rental income per month (averaged over 1 year)		£1450
Rental income per annum		£17,400
Gross Rental Yield		16.4%
Less annual outgoing costs / expenses:		
Council Tax		-??
Utilities		-??
Insurance		-??
Property Management fees	15%	-£2610
	SUB-TOTAL	-£
Net Annual Income		£14,790
Net Rental Yield		13.94%

Appreciation and Growth (over 5 years)		
Investor purchase price		£106,043
Estimated value in 5 years		£130,000
Equity from growth in 5 years		£24,000
Net rent collected in 5 years		£73,950
Total profit in 5 years		£97,950
Return on Investment (ROI)		92.4%



ROI - 2 BED EXAMPLE [USING FINANCE]

Purchase details	Description
Bedrooms	2
Bathrooms	1
Size	780 sq.ft.
Sales Price	£130,000
Discount Percentage	22.7%
Discount Amount	£29,457
Aston Eaves Price	£100,543

Single unit purchase analysis (on the basis of four units or more acquired)		Figures
Unit purchase price		£100,543
Cash input at 70% LTV over 20 years commercial mortgage		£30,162
Rental income per month (averaged over 1 year)		£1450
Rental income per annum		£17,400
Gross Rental Yield		16.4%
Less annual outgoing costs / expenses:		
Council Tax		-??
Utilities		-??
Insurance		-??
Property Management fees	15%	-£2610
Mortgage on a repayment basis @ 8%		-£7164
	SUB-TOTAL	-£??
Net Annual Income		£7626
Net Rental Yield		13.94%
Return on Capital Employed (ROCE) at 70% LTV		25.28%

Appreciation and Growth (over 5 years)		
Investor cash input		£30,162
Estimated value in 5 years		£130,000
Equity from growth in 5 years + repayment of £7,680		£37,137
Net rent collected in 5 years		£38,130
Total profit in 5 years		£75,267
Return on Investment (ROI)		249.5%



INCOME SCHEDULE

	STUDIOS			1 BEDS			2 BEDS		
	MONTHLY TARIFF	OCCU- PANCY RATE %	MONTHLY INCOME	MONTHLY TARIFF	OCCU- PANCY RATE %	MONTHLY INCOME	MONTHLY TARIFF	OCCU PANCY RATE %	MONTHLY INCOME
JAN	£980.00	60%	£588.00	£1,160.00	60%	£696.00	£1,460.00	60%	£876.00
FEB	£980.00	65%	£637.00	£1,160.00	65%	£754.00	£1,460.00	65%	£949.00
MAR	£980.00	65%	£637.00	£1,160.00	65%	£754.00	£1,460.00	65%	£949.00
APR	£1,000.00	65%	£650.00	£1,200.00	65%	£780.00	£1,680.00	65%	£1,092.00
MAY	£1,060.00	70%	£742.00	£1,240.00	70%	£868.00	£1,760.00	70%	£1,232.00
JUN	£1,380.00	99%	£1,366.00	£1,660.00	99%	£1,643.00	£2,300.00	99%	£2,277.00
JUL	£1,680.00	99%	£1,663.00	£1,800.00	99%	£1,782.00	£2,560.00	99%	£2,534.00
AUG	£1,680.00	99%	£1,663.00	£1,900.00	99%	£1,881.00	£2,720.00	99%	£2,692.00
SEP	£1,400.00	99%	£1,386.00	£1,660.00	99%	£1,643.00	£1,880.00	99%	£1,861.00
OCT	£1,000.00	70%	£700.00	£1,200.00	70%	£840.00	£1,680.00	70%	£1,176.00
NOV	£980.00	60%	£588.00	£1,160.00	60%	£696.00	£1,460.00	60%	£876.00
DEC	£980.00	60%	£588.00	£1,160.00	60%	£696.00	£1,460.00	60%	£876.00

The average summer occupancy is at 99% during the months of June, July, August, September. Average occupancy over the entire year is at 76% for the studio apartments, 1 bed apartments and 2 bed apartments.



INTERESTED? ...WHAT TO DO NEXT

If you have any further queries or questions in relation to this investment proposal, then email us at sales@astoneaves.com. We will forward you available information such as floor plans, specifications, latest availability and so on. We also ask you to get in touch on +44 (0)20 3603 8903 and ask to speak to one of our consultants in relation to the proposal.

Alternatively, if you are wanting to proceed with this purchase, please review the investment timeline on the next page to give you an idea of how we work. The last page in this proposal has some great offers if you are wanting us to source multiple high yielding investments for you.

THANKS FOR YOUR INTEREST!



INVESTMENT TIMELINE

Due to the nature of the fast moving acquisition process, the client must understand that he or she needs to stay on track and chase their respective solicitor, thus ensuring a smooth sales process. Whilst Aston Eaves will do their utmost to chase all parties, after the initial stage the client must regularly contact their solicitor that is handling the sale.

PHASE I: RESERVATION / Today

NOTES

Once you have decided that you'd like to commit to an available property, please forward a reservation fee along with a reservation form (available online or email sales@astoneaves.com) and the property will be booked in your name. The reservation fee is entirely refundable minus a 15% admin fee until contracts are sent out. Once the contracts are sent out, the reservation fee is non-refundable.

£995 fee to reserve per unit via BACS or credit/debit card.

This is our consultancy fee. There are no other agency fees.

PHASE II: PURCHASE AGREEMENT / 1-3 days

Once reservation has been approved, the client will be put in touch with all the required parties including the vendors solicitor that are required to complete the sale. During this time, the client will be required to complete a full purchase agreement. The client will be requested to sign the purchase agreement and email/fax it to us. If the client has opted for finance, we will forward your details to the broker/bank to process.

Full legal name, signature and dated contract to be sent back to the attorney (title company).

PHASE III: SURVEY OR CONTRACTS SENT TO YOU / 21-28 days

If you have opted to purchase four or more on finance, the lenders surveyor will inspect the property and offer a commercial mortgage within a 28 day period. Contracts are then sent with agreed dates for exchange and completion. If you are a cash buyer, we will instruct the vendors solicitor to liaise directly with your solicitor and agree on dates for exchange and completion.

A fee of £300 - £500 will be required for the survey - this is directly to the lender. If you are a cash buyer, this does not apply.

PHASE IV: EXCHANGE AND COMPLETION / 10-14 days

Once you have exchanged and completed, we will ask the management in question to get in touch with you and obtain your details. Rents are paid one month in arrears.

We then facilitate the final aspects of the investment.

Please note: The above timeline is a rough guide only and is subject to change.



BULK PURCHASE DEALS

BASICPACKAGE	BASICPLUS!	3INCLUSIVE
£995	£1695	£2295
Reservation for 1 Property	Reservation for 2 properties	Reservation for 3 properties
Lasts for 60 days	Lasts for 60 days	Lasts for 180 days
100% refund guarantee	100% refund guarantee	100% refund guarantee
Minimum 8% net yielding	Minimum 9% net yielding	Minimum 10% net yielding
6 month rental guarantees	6 month rental guarantees	12 month rental guarantees
		Transferrable to all offers
		Priority pick on new projects

* The 100% refund guarantee - If we are unable to secure you an investment opportunity according to the offers above, then we will offer a 100% refund - guaranteed. For example, if you wanted to go for the 3INCLUSIVE option and we were unable to secure you 3 units that give a rental yield of 10% net which were not sourced within a 180 day period, then we'd give you the £2295 back.

TERMS & CONDITIONS

1. TERMS.

1.1 The following terms of business (the “Terms”) form the basis of the agreement between JKU Investments Ltd trading as Aston Eaves, a company incorporated in England under the Companies Acts (Company Number 05864546) and having its trading office at 26 York Street, London, W1U 6PZ and its registered offices 11 & 12 Bispham Village Chambers, 335 Red Bank road Bispham, Blackpool, Lancashire, FY2 0HJ, UK. (“Aston Eaves”) and the Client (the “Agreement”).

1.2 Aston Eaves act as an intermediary and agent for property sellers and may provide the Client with the opportunity to hold, reserve and agree to purchase properties listed on www.AstonEaves.com (the “Website”) from the seller.

1.3 Data and key information has been obtained via the property seller or the agent. Aston Eaves do not accept responsibility for any misleading information provided via the property seller or the agent.

1.3 Aston Eaves may also, but are not obligated to, provide additional advice and assistance to the Client after the Client has agreed with the seller to purchase a property.

2. INFORMATION.

2.1 Media belonging to Aston Eaves may contain information about properties available for purchase from a third party, the value of the properties and the level of investment required to purchase the properties (the “Property Information”), and the potential return that could be made by purchasing the properties (the “Financial Information”).

2.2 The Property Information is based on information from third parties. The Financial Information is based on Aston Eaves’ research and analysis of the market place. As the Property Information is reliant on third party information and often time critical, and the Financial Information speculative in nature, and again often time critical, Aston Eaves do not guarantee the accuracy, reliability or completeness or otherwise of the Property Information or Financial Information.

2.3 Media belonging to Aston Eaves may contain recommendations about the services offered by solicitors, mortgage brokers, furniture suppliers, accountants, estate agents or other third parties (“Third Parties”). Aston Eaves do not guarantee the competence and reliability of the Third Parties.

3. ERRORS.

3.1 Whilst every care has been taken to ensure the accuracy of the information contained in all of the media presented online and offline, Aston Eaves does not guarantee or take responsibility for the accuracy of information provided by third parties.

4. REGULATION.

4.1 Aston Eaves is not a regulated or licensed investment or financial advisor. All Information provided by Aston Eaves is intended as general information regarding property matters and should never be treated as giving advice or making a recommendation. Aston Eaves strongly advise the Client exercise the same care and caution as the Client would normally use when making a substantial financial investment. The usage of a regulated financial advisor is at the sole discretion of the Client.

TERMS & CONDITIONS

5. SERVICES.

5.1 The client may be able to reserve a Property listed on the by Aston Eaves providing a reservation payment and completed reservation form. This means that provided the Client complies fully with terms 5.3, 5.4, 5.5, and 5.6 no other Aston Eaves client will be able to place that Property on reservation or hold.

5.2 Aston Eaves will confirm to you, details of any Property that the Client has reserved and the reservation fee payable. We will then send the reservation form to You by post, email.

5.3 Aston Eaves must receive as a reservation fee in the form of a BACS transfer or credit/debit card payable to the Seller (unless otherwise stated on the Website) within 24 hours of the same day as reservation in order to put a hold on the Property.

5.4 As soon as the Client has forwarded their reservation fee, the Client must email Aston Eaves at info@AstonEaves.com with a copy of the payment proof. If Aston Eaves do not receive the reservation fee or payment is rejected, the hold placed on the Property will be removed and the Property will be re-listed for sale.

5.5 The reservation form must be signed and returned to Aston Eaves as soon as possible; in any event Aston Eaves must receive the reservation form within two business days of the Property being held. If Aston Eaves do not receive the reservation form within the required two business days, the hold placed on the Property will be removed and the Property will be re-listed for sale.

5.6 Once Aston Eaves have received the reservation fee and a signed reservation form, Aston Eaves will instruct their solicitor to start processing the sale of the property in question.

6. CHANGES TO SCOPE.

6.1 Aston Eaves may change these Terms on giving no less than 30 days notice. The Client will be notified of any change to these Terms by email and changes posted on the Website. If the Client decides not to accept any change made to these Terms, the Client must inform Aston Eaves, in writing, within 3 working days of receiving the e-mail, otherwise the Client will be deemed to have accepted the change.

7. OWNERSHIP & USAGE.

7.1 The client acknowledges that all rights, title and interest in the confidential information remain the sole property of the Aston Eaves and that the client shall not obtain any such rights, title and interest by virtue of the contractual agreement or otherwise.

8. NON-DISCLOSURE.

8.1 The client agrees to not disclose any confidential information, whether to employees, officers or directors, agents and representatives or to any third party (including any commercial or professional associate or collaborator), except only in confidence and only to such employees, officers, agents, representatives or directors of the Recipient (if applicable) who need

TERMS & CONDITIONS

to see and review for the Purpose; and not use any of the confidential information to procure a commercial advantage over the Aston Eaves or to develop, or help or assist others to develop an alternative to Aston Eaves.

8.2 Aston Eaves may use the Clients personal information to notify the Client about important changes or developments to services. Further, Aston Eaves may also use Your information to let the Client know about other products and services which Aston Eaves offer which may be of interest to the Client and Aston Eaves may contact the Client by e-mail, post or telephone. If the Client does not want to be contacted by Aston Eaves, then the Client must let Aston Eaves know in writing.

9. VALIDITY.

9.1 If any Term of this Agreement is held by a competent authority to be invalid or unenforceable in whole or in part, the validity of the other Term of this Agreement and the remainder of the Term in question shall not be affected.

10. GOVERNING LAW

10.1 This Agreement is governed by the laws of the UK.

PROPOSAL SPECIFICS

ARE THERE ANY DISABLED FACILITIES?

All the houses have a ground floor and a first floor. The access to the upstairs is via a staircase which you may adapt for wheelchair users.

ARE ALL 27 UNITS READY TO RENT OUT?

The majority of the units only need minor cosmetic repairs: paint, carpet and appliances. The £46,000 (\$73,000) purchase price includes reserves to get the units in a like new, rental ready state. Of the 27 units, 4 units need repairs to the balconies from water intrusion. We may sell these at a lower price of £41,000, but we are currently awaiting the inspection report on what works are required.

CAN I GET A BUY-TO-LET MORTGAGE TO BUY THIS?

In normal circumstances, yes, these would be mortgageable. However, since this is in effect a short sale, the developer is looking for cash buyers. Once the Florida property market picks up and lending is eventually accessible, then we do not anticipate mortgageability being an issue with these houses. Please note, we are not financial advisors and cannot offer advice on mortgages.

WHAT KIND OF INVESTOR BUYS THIS KIND OF PROPERTY?

This will suit investors, holiday home owners and vacation rental investors. From a cashflow perspective, those who want a hands-off investment, with little or no involvement, providing excellent rental yields at circa 9-10%. Generally speaking, investors should be looking to utilise this investment to provide a medium to long term rental income with minimal effort.

CAN I SELL THIS AT ANY TIME? TO WHO? WHAT ARE MY EXIT STRATEGIES?

Since these particular properties have been cleared for both residential and vacation purposes, you are in an excellent position to exit and sell to a wider range of buyers. The market for such low priced and good quality property is buoyant regardless of the general market conditions and we expect some of the 27 units to be sold by the time you have finished reading this proposal.

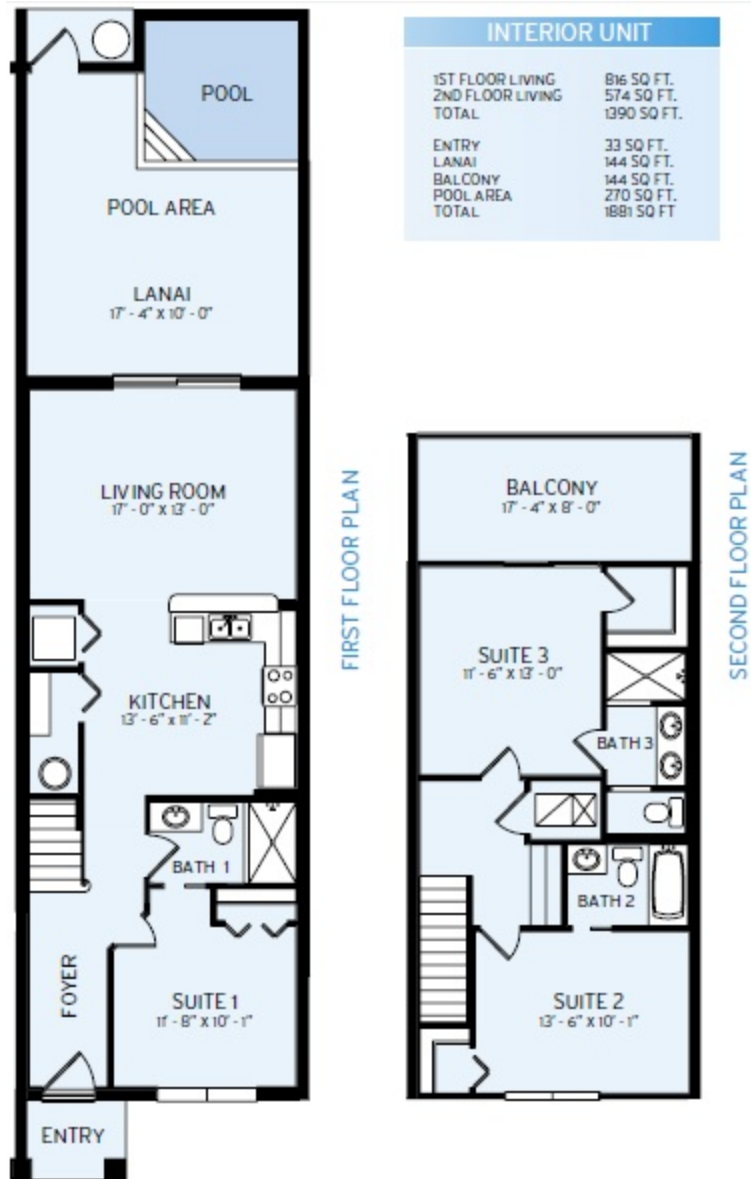
IF THEY'RE THAT GOOD, THEN WHY AREN'T YOU KEEPING THEM?

We can't keep everything that we come across, due to obvious financial restrictions. Our business is in brokering good deals for our clients to generate wealth and then they come back to us and repeat business.

CAN I GO AND VIEW THE PROPERTIES?

Of course. We will either be there to show you around ourselves or we will get one of our partners to meet you and show you the development. Our consultancy fee of £995 does not mean you are committed to the sale, so the pressure is off and we leave the decision to you whether you wish to go ahead with it.

FLOOR PLANS

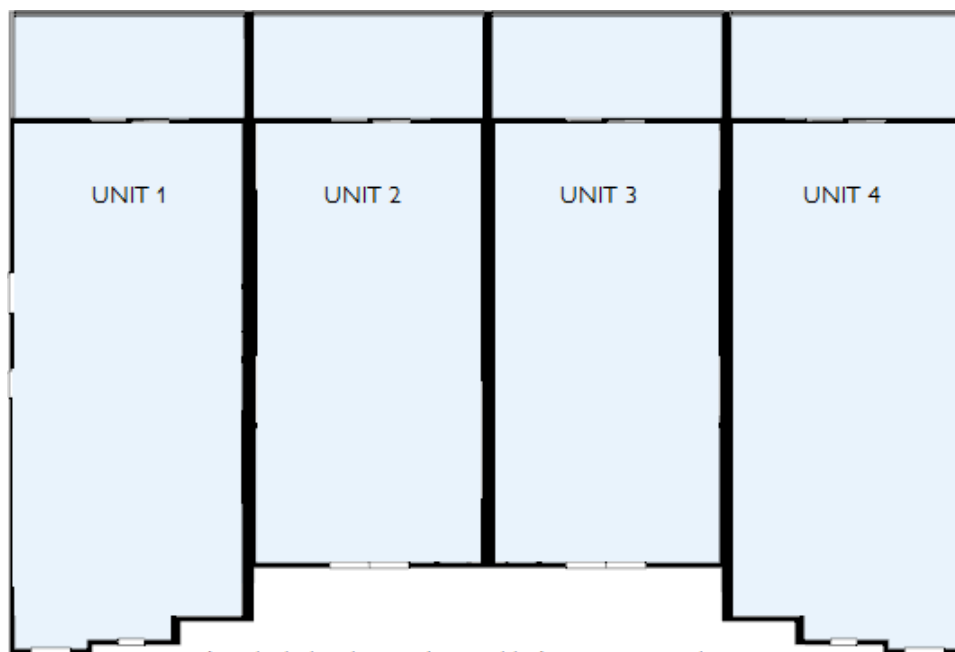


► More floor plans can be made available on request. Please email one of our consultants. All plans and elevations are artist renderings and may vary somewhat in precise detail and dimensions. All measurements are approximate.

DEVELOPMENT PLANS



▶ The above shows the current available units. Each plot has 4 units contained as shown below.



A typical plot shown above with 4 separate townhouses