

23 Bass Street, Derby DE22 3BS | 35 Bass Street, Derby DE22 3BS |
73 Mill Hill Lane, Derby DE23 6SB | 11 Forester Street, Derby DE1 1PP

4 Freehold HMO Properties For Sale within an SPV All located within the central area of Derby

Initial Yield 9.9%

Reversionary Yield 10.59%

- Currently fully let and income producing
- Current Income £153,360 pa
- Reversionary Income £164,160 pa
- All properties are held within an SPV thus considerable tax savings
- Located in good locations throughout Derby
- A number of rents have been recently increased
- Offers invited at £1,425,000
- Initial gross yield at 10.76% and reversionary yield at 11.52%



FOR SALE



Location



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Location



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Location

Derby is a major commercial centre within the East Midlands region, situated approximately 8 miles west of J25 of the M1 Motorway and 40 miles north-east of Birmingham. The city has a resident population of circa 250,000 persons, with 2.2 million persons within a 45 minute drive-time.

It traditionally draws upon a stable industrial employment basis, having long-standing historic connections with the railway industry and Rolls Royce Engineering, one of the City's major employers. Other major employers include Alstom (manufacturers of rolling stock), Toyota and Royal Crown Derby which was established in the City many centuries ago.

In recent years Derby University has considerably expanded incorporating Derby College, Derby College of Art & Technology and Lonsdale & Derby College of Higher Education. It is now a major employer and home to some 34,000 students. Works are currently underway to build approximately a 135,000 ft² building to accommodate a further 6,000 students for Derby Business School for completion in September 2024.

Throughout the centre of Derby there have been a number of major developments both in commercial and residential terms with a considerable amount of development for residential tenants. The main shopping centre, now known as Derbion Shopping Centre (formerly Intu Derby) has been upgraded.



23 and 35 Bass Street are situated north-west of the City Centre, off Friar Gate and Ashbourne Road, in what we consider to be a good residential area where a number of residential developments have been undertaken.

73 Mill Hill Lane is situated south-west of the City Centre in between Burton Road and Normanton Road.

11 Forester Street is situated immediately west of Derby City Centre, off Forester Road, close to the inner ring road and 3 minutes walking distance from the city centre and all the amenities which it provides.



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Properties

The investment consists of four separate properties, Nos 23 & 35 Bass Street located off the Ashbourne Road, 73 Mill Hill Lane close to the city centre and 11 Forester Street. The details of each of the properties are as follows:-

23 Bass Street is a 7-bedroom HMO with sui generis planning permission. All rooms are en-suite, together with large garden and communal kitchen/diner. This property has the benefit of a garage used for cycle storage and ancillary use.

35 Bass Street is a 7-bedroom HMO with a communal kitchen/diner. One of the bedrooms is en-suite, the others have 2 shower rooms with WCs and there is an additional downstairs WC. This property could be converted to make all rooms en-suite. It also has the benefit of a large garden. The property has the benefit of sui generis Planning Permission.

73 Mill Hill Lane is a 6-bedroom HMO, all rooms with en-suite facilities and a courtyard garden, very close to the City Centre.

11 Forester Street is a 5-bedroom HMO with 2 showers/WCs and a further WC downstairs. It has a shared kitchen/diner and is 3 minutes walk from the Derby City Centre. The property has the benefit of one dedicated car space to the rear.

All properties are licensed with a Council HMO.



Income & Tenancies

All the properties are currently let.

Address	Current Gross Income	Renewal Recommendation
23 Bass St	£3,730 pcm	£4,225 pcm
35 Bass St	£3,390 pcm	£3,490 pcm
73 Mill Hill Lane	£3,345 pcm	£3,650 pcm
11 Forester St	£2,315 pcm	£2,315 pcm
	£12,780 pcm	£13,680 pcm

The current gross income is £153,360 and a potential income of £164,160. These properties are currently managed by external agents and upon their recommendation there have been rent increases on all the rooms which are currently in the process of being implemented as and when a tenant vacates.

A detailed schedule of the individual room rates and potential room rates is available upon request. These are constantly increasing and as and when a room becomes vacant, it is advertised at the increased rent so effectively over the last few months, the gross income has moved from £148,000 to approximately £154,000 and then on to £164,000.





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Monthly Outgoings

The monthly average outgoings, which include Council Tax, Water, Gas, Electricity, Broadband and TV Licence, are:

23 Bass Street	-	£818
35 Bass Street	-	£696
73 Mill Hill Lane	-	£585
11 Forester St	-	£354
Total Outgoings	-	£2,453 pcm (£29,436 pa)

Tenure

Freehold.

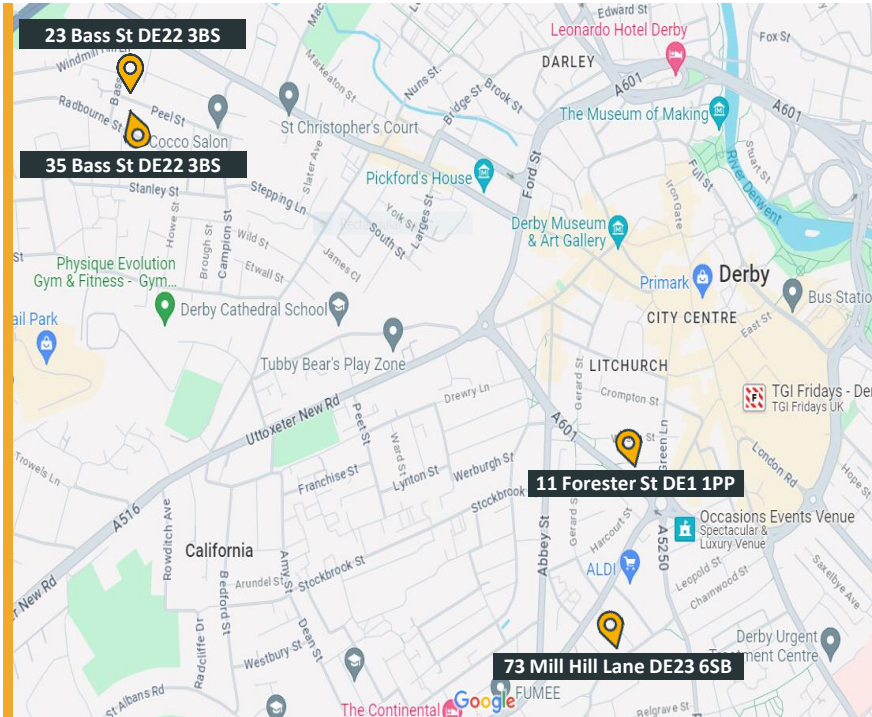
Price

Offers are invited at £1,425,000 to show an initial gross yield before costs of 10.76% and a reversionary gross yield before costs of 11.52% when all the rental increases have been implemented. The properties will be sold as one within the SPV, thus enabling considerable tax advantages to be obtained, together with a saving on Stamp Duty.

Plans

Detailed plans showing the layout of the accommodation as existing are available upon request.





Please [click here](#) to read our "Property Misdescriptions Act". E&OE.

20/6/2024

Photographs

A detailed selection of photographs of each property is available upon request.

Identity Checks

In order to comply with Anti-Money Laundering Legislation, any purchaser will be required to provide identification documents. The required documents will be confirmed to and requested from the successful purchaser at the appropriate time.

Legal Costs

Each side to be responsible for their own legal costs.

Further Information

For further information or to arrange a viewing please call or click on the emails or website below:-

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