



PORTFOLIO BUILDER

ADAVO

BUILDING YOUR FUTURE.



# COMPLETE SERVICE

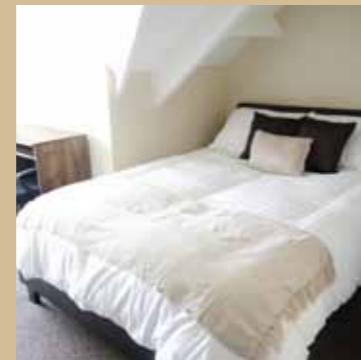
The Adavo Portfolio Builder service delivers high yield stock with all aspects of the investment catered for.

We work closely with you to find out your requirements and then tailor each project to your needs. All aspects are covered in-house from sourcing, renovating, lettings and management. It is a true armchair investment service.

At Adavo we strategically position each property to lead the market. Our renovated properties are delivered fully furnished and ready to rent. We employ a specification we know we underpin 95% plus occupancy rates along with high end rents.

We deliver an unrivalled portfolio building service to our exclusive clientele that meets an exacting standard. Each property will perform at a market leading level for years to come and your portfolio collectively will provide a healthy income as well as a legacy to be proud of.

Each portfolio client can look forward to a first class turnkey service that will provide you with quality, high yield assets which will generate income for decades.



## £5,000+ NET INVESTMENT

Our standard model is a discounted cash purchase followed by renovation and lettings. Once the project is delivered we will then target a re-mortgage at the end value to release as much of the original funds as practicable.

Typically the initial purchase is in the £40,000-£60,000 price bracket. The renovations will be kept to a minimum by trying to find deals that do not require a lot of work. We will aim to spend between £5,000-£10,000 per project. Finally we will arrange a re-mortgage at the end value which usually leaves around £5,000-£15,000 left in the deal. This is the net investment figure per deal.

Our average income level is a 6-8% net yield per annum. This will be net of all true costs such as full management, tenant find fees, buildings insurance. After the re-mortgage the net geared yield will increase substantially.

Full management is included in the figures as well as a half month tenant find fee to allow us to use several local lettings agents each year as part of a multi-agent approach. This keeps the occupancy rate high by design.

The Portfolio Builder service will source suitable properties that fit your agreed criteria. As part of this we will look to bid aggressively and achieve a large discount from the property's current market value.

A huge part of making money in property is buying well. We are highly experienced in this area and often achieve discounts that amateur investors didn't even know were possible.

If a property is on the market at £150,000 we typically bid around the £120,000 mark or lower. We look for distressed property in good locations that we can buy cheaply and add value.

Any discount is passed on to the client in full.

20-30%  
DISCOUNTS



We are committed to excellence. Adavo is a process orientated business that drives standards through every part of our service. We have very exacting standards that aim to position us ahead of the competition both in returns, security and service level.

Our business is rooted on strong foundations. Years of experience have refined our business model to a point where we can consistently deliver results. We use that experience to deliver your portfolio on time and on budget.

Excellence to us at present is successfully providing steady, reliable returns. It is showing a clear, transparent investment processes and strong operational management of risk. We believe Adavo provides this service.

# EXCELLENCE



Our Portfolio Builder investment is driven by its target market. We identify the target audience in advance and tailor the property to suit. This can be business parks, city centres, universities, hospitals and large scale employers.

The UK private rented sector enjoys strong demand due to the growing population. The lack of supply of new housing stock over the past few years will likely see this demand for rental property increase.

In niche areas localised demand from large business parks, universities, government employers and hospitals further supports this high rental demand. There is a growing young professional and student population and both are expected to remain at a high level over the next decade.

The UK also has a burgeoning under 35 population with little access to finance leaving renting as the only option. We expect to see a strong stable demand for many years to come.

We can also arrange rental guarantee policies to underpin each tenancy and give you even further peace of mind.



## WELL DEFINED TARGET MARKETS



## NO UPFRONT FEES

No money is paid upfront for any aspect of the deal. All fees and costs are billed after the services have been completed including all renovation work.

Impressed yet? You should be. We lead the market in terms of the structure we offer. The Portfolio Builder product is as risk-managed a property investment as you can design.

We know because over the years we have offered many product structures on our way to the best. The only way you can reduce client risk to an almost negligible level is to invoice after the event at every point in the deal.

That is why we do all the hard work of finding a suitable property, negotiating a discount, RICS surveyors, legal teams, local authorities and more without billing a single penny. You only pay for the services when you have legal completed the purchase of the property.

We then, remarkably, undertake all of the renovation work with no money upfront. We operate a standard 30 day turnaround and only invoice the renovation fee on completion of work. If we haven't done the work, you simply don't pay us.

There is no better way to structure the investment and Adavo Property are unique in offering this structure.

## THE INVESTMENT EXPLAINED

We aim to buy at a 20% discount from the current RICS valuation, which means the asset for which you hold the title deeds should be worth more than the money used to purchase it.



Discounted Purchase  
(RICS Valuation)

2-4 Weeks

We then renovate the property to increase its value, which is also supported by a current RICS valuation. This gives a further 10% cover.



Value Increased  
(RICS Valuation)

2-4 Weeks

Once let the property will be re-mortgaged to release as much of the original funds as possible. Adavo provides a full lettings management service for 10% plus vat on an on-going basis.



Value Increased  
(RICS Valuation)

0-8 Weeks



Adavo is built on a foundation of first class service. You can expect red carpet treatment for the entire term of your investment.

Our investments have been well designed and contain a level of service that can truly compete with the best in the world.

A dedicated member of staff will walk you through all the options available to you. You will have one point of contact who provides all the product knowledge, information, and documents to allow you to take an informed decision.

We offer all aspects of portfolio building, from portfolio design, sourcing, renovation right through to lettings.

Every aspect of your needs are catered for. We want all our exclusive investor family to feel assured and confident.

## FIRST CLASS SERVICE



## RICS VALUATIONS

Each asset comes with a current valuation up front so you know all the figures from the outset. We only use the most reputable panels of RICS valuers including:

- Knight Frank
- Savills
- E-surv
- Cushman & Wakefield
- Spinnaka

We believe investors can have confidence in the transparency and reliability of these firms. They are consistently vetted and all are current use by global corporations around the world and have been chosen due to their ability to provide a trustworthy service that can be relied upon.

All of the solicitors we engage are vetted by and accountable to the Law Society. We only select firms of the highest quality.

# EXPECTED RETURNS

|         | GUIDE PRICE       | MONEY LEFT IN   | NET GEARED YIELD |
|---------|-------------------|-----------------|------------------|
| 1 BED   | £30,000-£40,000   | £5,000-£10,000  | 15% +            |
| 2 BED   | £40,000-£50,000   | £5,000-£15,000  | 20% +            |
| 3 BED   | £50,000-£70,000   | £5,000-£15,000  | 20% +            |
| 4 BED   | £70,000-£85,000   | £10,000-£20,000 | 15% +            |
| 5 BED   | £90,000-£120,000  | £15,000-£30,000 | 15% +            |
| 6 BED   | £120,000-£150,000 | £15,000-£30,000 | 15% +            |
| 7 BED + | BESPOKE           |                 |                  |

We guarantee delivery of property that will have a 6%pa net yield or better. For mortgaged purchases we guarantee a 15%+ return on investment factoring the net income after mortgages & fees versus your deposit.

The Portfolio Builder benefits from a discounted purchase, a net equity profit from renovations and a strong monthly income once completed.

This gives the best of both worlds. You secure an equity profit as part of the process which is often a healthy return in its own right.

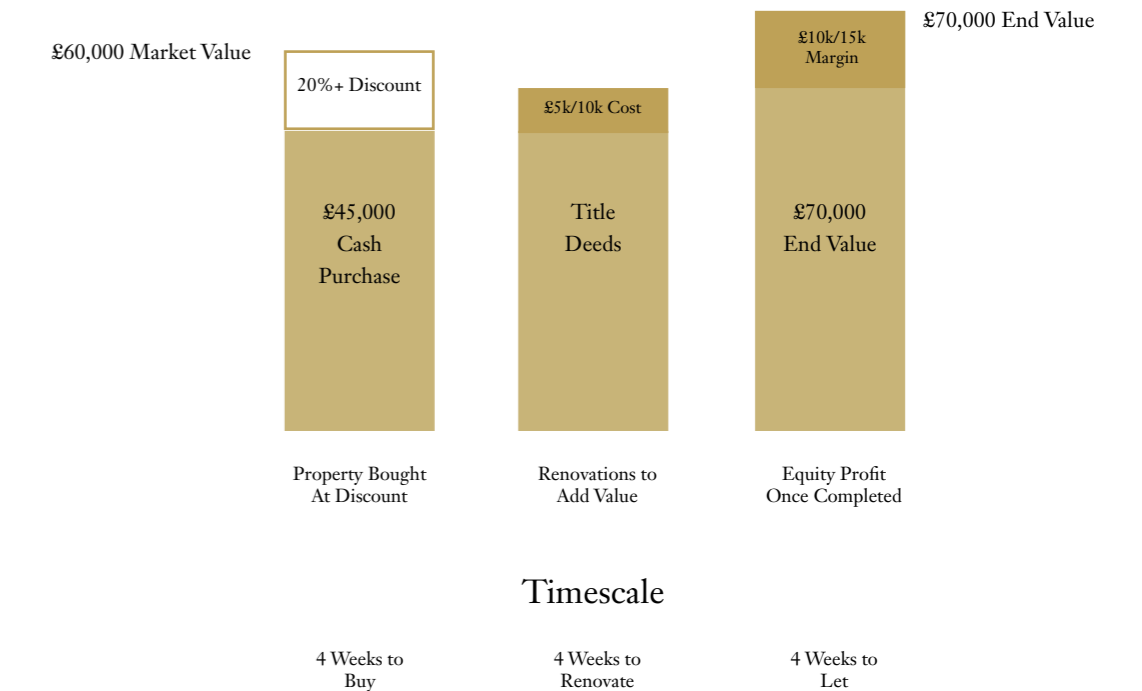
You then also benefit from the high net income that the re-mortgage approach generates. It gives the investment both a paper and cash flow profit.

Each property usually rents on the first or second viewing. This can mean your rental income will begin in as little as one or two weeks from the day we complete renovations.

Each part of the process has been designed to be as easy as possible for the client. It just works.



# HOW IT WORKS





# LETTINGS & MANAGEMENT

Once we have delivered your new investment on time and on budget we then get down to the day in, day out task of letting & managing the property.

We have completed hundreds of these assets over the years and have refined our processes to offer a seamless lettings service.

This will start with a To-Let board being arranged on the first day of ownership and a staged marketing campaign. During renovations this will cover around 90% of the open market via Rightmove, DPG (which encompasses Prime Location, Find a Property etc) and the leading student site Accommodation for Students. We will use stock images from past houses at this stage to give an indication of how the property will look once complete.

After renovations completion the property is furnished and cleaned immediately. We then dress the property with soft furnishings and bedding to make it stand out.

A professional set of photos are taken which are then used to advertise to the whole market. The initial sites used (Zoopla, Rightmove, AFS) will have the stock images replaced with the finished actuals and we will then uploads to 30+ websites via our Jupix professional lettings software.

The final stage is engaging several local agents which gives us a 'whole of market' approach. A strong proposition designed to give the highest possible occupancy rate all year round.



## FULL MANAGEMENT

Our Portfolio Builder service is an armchair experience with all aspects of management accounted for.

We are highly experienced in managing these types of properties and have successfully completed thousands of tenant finds to date.

Any calls, lock outs, burst pipes or otherwise are dealt with by our capable lettings team.

## DEPOSIT PROTECTION SCHEME

Each tenant is required to provide a 1 month bond. This is then registered with one of three national bodies to ensure its security.

Any damage, scuffs or cleaning that is found at the end of each tenancy will be corrected using funds from the deposits. We undertake a full inventory at the start of each tenancy which allows us to highlight any issues and arrange for their prompt correction.

## INSURANCE

We arrange buildings insurance as part of the investment service from the day you first purchase the asset.

During renovation we arrange FLEA cover which insures the structure of the building.

Once the work is complete after four weeks we then extend this to include the furniture as part of the service.

## TENANT FIND SERVICE

We use several local agents in each city to find tenants. This 'whole of market' approach means that we have as wide a reach as possible for potential tenants.

Adavo also uses over 30 websites to advertise each property. Your figures already take this fee into account which means that year after year we can engage local agents to maintain a consistently high occupancy rate.

## UTILITIES & BROADBAND

You have the choice to let your properties on an inclusive or exclusive basis.

We arrange package deals which cap the cost of utilities and broadband at £10 per person per week. This includes gas, electricity, water and broadband as standard.

It is also an option to let the rooms exclusive of bills and leave it for the tenants to arrange.

## MONTHLY REPORTING

Each monthly you can expect a full statement of rental income, management charges and any extraordinary items.

We use the Jupix lettings system to provide us with accurate figures on demand which allows us to keep you fully informed of the accounts from your portfolio each month.

You can expect up to date info all the time.

## TENANT REFERENCING

Each tenant is referenced as routine part of our quality control process. This ensures we fill the rooms with credit worthy individuals from the outset which in turn minimises late payments and arrears.

We also obtain guarantors from parents when letting to students. This provides an extra level of security and recourse should the rent not come in on time.

## MAINTENANCE

The Portfolio Builder investment delivers a newly renovated property by design. All major items will have been addressed at this stage.

This approach reduces the maintenance that each property will require.

Should any issues arise we have maintenance teams to correct things quickly.

## ARREARS MANAGEMENT

From time to time some tenants fall behind on their payments.

We have an established process to chase rents starting from phone calls and letters as soon as the rent is missed.

This will then escalate to collection visits and letters to the guarantors. It is rare that we reach the stage of legal recourse.



## RECENT PRESS

### 11 NOVEMBER 2012 - Investors pile into buy-to-let: Rents are expected to soar 18% over five years

Investors could secure an annual 8% return over the next five years by putting their cash into buy-to-let property, according to new figures. Rents will rise 18% over the next five years across the country and 26% in London, fuelled by demand from young workers unable to get on the property ladder, said Savills, the estate agent.

However, the sharp rise in rents promises impressive total returns for investors, which take into account both yield and capital growth. Savills has calculated that landlords could secure average annual total returns of 6.4% over the next five years, or 33% by 2017. In London, total returns could hit 7.8% a year, or 40.3% over five years. New mortgage deals are also making it easier to enter the market. There are 527 buy-to-let loans on the market, more than double the number three years ago and up from 467 six months ago, according to Moneyfacts, the data firm. Several lenders, including Paragon, Kensington and Accord, added more deals last week.. [The Sunday Times](#)

### 08 NOVEMBER 2012 - Buy-to-let owners view property as pension

Research reveals that many private landlords view property to be a “safer bet” than investments such as pensions. Four in five private landlords say their properties are their pensions, with the majority, 61 per cent, stating that they plan to live off the rental income, research from BDRG Continental’s landlords survey said. Many private landlords in the research said they view property to be a safer bet than investments such as pensions. Of the 10 per cent of private landlords that used previously invested funds to purchase their property outright, a third said it was because they believe investing in property will produce a better return on their money.

Other reasons include providing an income (19 per cent), acting as a long term investment and off-setting poor pension performance (15 per cent). A further 8 per cent said property was an alternative investment and 6 per cent believe property carries less risk than more traditional forms of investment, for example stocks and shares. [The Financial Times](#)

## HEADLINES

12 NOVEMBER 2012: Why you should be optimistic on house prices. [The Times](#)

06 NOVEMBER 2012: Plenty to be positive about in buy-to-let. [Mortgage Introducer](#)

30 AUGUST 2012: Property investors still positive on buy to let. [FT Adviser](#)

12 NOVEMBER 2012: Buy to let investors win. [The Guardian](#)

08 NOVEMBER 2012: Value of buy-to-let mortgages continued to grow in the third quarter. [The Telegraph](#)

# ENQUIRY FORM



IF YOU ARE INTERESTED IN INVESTING AS A PORTFOLIO BUILDER PLEASE FILL OUT THE FORM AND AN ADAVO REPRESENTATIVE WILL CALL TO CONFIRM RECEIPT OF YOUR ENQUIRY.

CLICK THE 'SUBMIT' BUTTON TO SEND THIS FORM VIA EMAIL TO ENQUIRES@ADAVO.CO.UK. ALTERNATIVELY PLEASE ADDRESS ALL WRITTEN ENQUIRY FORMS TO ADAVO PROPERTY LLP, Q16, QUORUM BUSINESS PARK, BENTON LANE, NEWCASTLE UPON TYNE, NE12 8BX. YOU CAN ALSO FAX YOUR ENQUIRY TO 0845 519 3249.

NAME:  
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COMPANY:  
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ADDRESS:  
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CITY:  
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POSTCODE:  
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EMAIL:  
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CONFIRM EMAIL:  
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DAYTIME PHONE:  
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EVENING PHONE:  
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TOTAL AMOUNT TO INVEST:  
\_\_\_\_\_

CASH PRESENTLY AVAILABLE:  
\_\_\_\_\_

TARGET INVESTMENT DATE:  
\_\_\_\_\_

HOW DID YOU FIND OUT ABOUT ADAVO?  
FRIEND                      TV                      RADIO                      FT  
GOOGLE                      YAHOO                      MSN                      OTHER

COMMENT:  
\_\_\_\_\_

FAX BACK: 0845 519 3249

CLICK TO SUBMIT



COMMITMENT

DISCIPLINE

EXCELLENCE

STRENGTH

HABIT

FAITH

PASSION

PERFORMANCE

INTEGRITY

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