



How to use the ROI Calculator

The ROI Calculator is designed to work out the return on investment each deal will give you. It is designed to be accurate and flexible to accommodate different types of deal structure but it is subject to some margin for error.

The files are available in numbers and excel format for different users.

Where the cell is coloured grey, information about the deal will be needed to be inputted. Where the cell is white, the formulas calculate the information for you.

For single lets. Simply enter the purchase price, monthly rent, refurb costs and mortgage interest rate.

For HMOs, enter purchase price, number of rooms, rent for room, additional room rate (if a room is ensuite for example, this is often £25 or £50 more per month), cost of furniture (lease or bought), the refurb costs and mortgage interest rate.

For BRRs, enter purchase price, end value, refurb costs, refurb time and monthly rent. Mortgage interest is calculated at 3%. 'MV' is market value for if you wished to exit the deal by selling the property for a profit. 'Leveraged' figures are for when bridging finance is used to fund the deal. Note. Bridging finance can only be used to pay for the refurb if the Purchase Price is higher than £75k.

For R2SA, input the monthly rent (or mortgage if you own the property), nightly rate and utilities costs.

