

HMO VALUATION INSTRUCTION FORM

SECURITY ADDRESS:

CURRENT ESTIMATED VALUE £ CURRENT TOTAL RENTAL £
 AFTERWORKS ESTIMATED VALUE £ AFTERWORKS TOTAL RENTAL £

TYPE OF HMO VALUATION	DESCRIPTION	TICK THE APPROPRIATE CATEGORY (IF A STL, BASE THIS ON THE AFTERWORKS MODEL)
HMO 1 – LENDING AGAINST VALUE AS A PRIVATE DWELLING	<ul style="list-style-type: none"> The security can be used as an HMO but the works to convert are minimal and it is logical that an investor is more likely to purchase a cheaper property and convert it rather than pay a premium price for one already converted. 	
HMO 2 – LENDING AGAINST MARKET VALUE	<ul style="list-style-type: none"> No Article 4 planning exists but there is suitable demand for HMO property. Fabric of the building has undergone significant change to be used as an HMO which would mean an independent valuation and a price premium for use as an HMO. There must be viability for this to be sold as an HMO with the valuer to consider comparables and yields, taking into consideration Gross and Net rental amounts. 	
HMO 3 – LENDING AGAINST MARKET VALUE	<ul style="list-style-type: none"> An Article 4 is in place and therefore the property is clearly viable as an HMO investment. There would be the demand to justify paying a premium for this in order to get the higher returns. Valuer to consider comparables and yields taking into consideration Gross and Net rental amounts. 	
HMO 4 – LENDING AGAINST MARKET VALUE	<ul style="list-style-type: none"> Where planning is in place (Sui Generis) to use as a large HMO (7beds plus) and will have very specific structural changes to be utilised as an HMO. Valuer to consider comparables and yields taking into consideration Gross and Net rental amounts. 	

PLEASE PROVIDE A SCHEDULE OF WORKS AND COSTINGS IF APPLYING FOR A SHORT TERM LOAN.