SACKS
PROPERTIES

NEW PROPERTY INVESTOR GUIDE

Don’t Invest Until You Read This

About Us

Michael Sacks has been a prominent figure in the property industry since 2007. After making a £40,000 profit on his first property in 2010, he has successfully traded nearly £20 million worth of property.

To support fellow investors, he established Sacks Properties, offering services to both novice and seasoned investors seeking exclusive off market deals. With a commitment to transparency, integrity, and high-quality service, Sacks Properties stands ready to assist investors, developers, and agents alike.

Our team provides a full hands off service, providing support with mortgages, tax, property management and solicitors.

Experienced investors searching off-market deals, including development opportunities, land, HMOs, block purchases, or properties in administration are encouraged to reach out, as many exclusive deals are not listed on our website. Sacks prides itself on an extensive network, enabling access to unique investment opportunities that are not available elsewhere.

Our Process

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01. CONSULTATION

The process begins with a thorough understanding of your investment goals. By identifying your reasons for investing and your desired outcomes, Sacks Properties can ensure we find the best property deal for you.

02. PROPERTIES

With established relationships across the UK, Sacks Properties has access to a wide range of off-market properties through developers, house builders, and agents, providing our clients with exclusive opportunities that aren't available on the open market.

03. MANAGEMENT

Successful property portfolios require meticulous management to secure long-term rental income and preserve asset value. Sacks Properties offers comprehensive support in setting up effective property management systems.

04. MORTGAGES

Clients will be introduced to specialist mortgage brokers who find the best mortgage options that are tailored to each property purchase and help maximise their returns.

05. TAX

Navigating investment structures can be complex, so Sacks Properties collaborates with expert tax consultants to provide guidance on how to invest, while including considerations for trusts and inheritance.

06. ANNUAL INVESTMENT REVIEW

To ensure continued success, Sacks Properties schedules a review 12 months post-investment. This review assesses rental returns, property value appreciation, and opportunities for reinvestment to grow the portfolio, keeping clients on track for success.

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First-Time Guide: Investing in UK Property

1. Why Invest in UK Property?

- Property remains **one of the most trusted long term investment assets in the UK**. It offers dual benefits: rental income and capital appreciation.

- Given extensive overseas interest, the UK property market is arguably one of the **safest asset classes in the world**.

- Typical yields for buy to let investments range from 5% to 7%, depending on location and property type. However, **buying with a mortgage can easily produce a Return on Cash of up to 15% on some properties**.

- With huge demand across the UK and not enough properties being built, prices are set to **rise steadily over the next decade**.

2. Know Your Investment Options

Direct Investments:

- Buy-to-let: Purchase a property and rent it out to tenants.

- HMOs (House of Multiple Occupation): Renting separate rooms can yield higher rental income, but requires more management.

- Property development or flipping: Renovate to add value and resell. This strategy can offer promising returns, though it involves higher risks and more time.

- Overseas Property: Purchasing a property abroad can be utilised for personal use and investment gains but comes with its own set of risks.

- STL (Short Term Lets): Investing in a property that is rented out for short term stays. Income can be high but costs can equally be very high with inconsistent returns.

- Off Plan: Investing in a property that isn't built yet. Often a good way of achieving capital growth but can you trust the developer and is your money safe?

Indirect Investments:

- REITs and property funds: Invest via markets, allowing for liquidity and smaller cash requirements.

- Peer-to-peer lending: Platforms offering property backed loans and provide an alternative to direct ownership.

3. Understand the Costs and Tax Implications

- Stamp Duty: **A 5% stamp duty surcharge now applies on second properties**. We see this as the government looking to capture some of the growth investors will be seeing in the coming years.

- Company or personal name: In most, but not all cases, investors are advised to purchase properties into a company and not their personal name. Everyone’s situation is different and **expert advice should be sought**.

- Income / Corporation Tax: It’s important to get the right advice before making your investments. **No one wants to pay more tax than they need to**. Have you got the right structure to maximise your gains?

- Purchase costs: Property investors need to think about legal fees, mortgage fees, valuation fees, stamp duty, service charge, and ground rent before making an investment decision.

4. Choose the Right Location (High Yield vs. Long term Growth)

- **The savviest investors don’t focus on their immediate vicinity**. They focus on finding the best deals that offer strong returns and good prospects of capital growth.

- It doesn’t matter where the property is, **property management experts can be employed** to look after the property and collect the rent on your behalf.

- Often times, the best deal pops up in a location you might not be looking for.

- More popular locations tend to have lower returns but higher growth opportunity. **Whereas more secondary locations often produce the higher returns many investors are looking for**.

5. Prepare Finances and Secure Funding

- **Be mortgage-ready**: First-time investors should check their credit reports and improve scores before applying.
- Work with specialised mortgage brokers to find the **right product for you**, your property and your long term goals.
- Explore government schemes like Lifetime ISAs or Help to Buy equity loans.
- Maintain an **emergency fund** to cover void periods, maintenance, or unexpected costs.

6. Conduct Thorough Due Diligence

- Carry out **detailed market research**. Understand tenant demographics (e.g. students, families, professionals), rental demand, and planned local development.
- Understand whether you are investing in a regeneration zone or a more established residential location.
- Use **professional conveyancers and estate agents**. Ensure legal documentation is complete and the ownership is properly registered with HM Land Registry.

7. Know the Risks

- Rental income is **not guaranteed**. Void periods should be factored into your calculations.
- Government policy and tax regulations may change, impacting profitability. Keeping up to date with legal and building requirements is important.
- Avoid relying on unverified "**property gurus**". Instead, consult experienced professionals who can back up their investment claims with evidence.

YOU'RE ALL SET!

Thanks for downloading this guide. Now you know the basics you're ready to get started in your investment journey.

At Sacks Properties we have numerous off market deals at discounts **you cant find on Rightmove or Zoopla**.

With extensive relationships with developers we have properties for every type of investor across the UK.

VISIT OUR WEBSITE TO FIND OUT MORE AND WE WILL TALK TO YOU SOON!

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