Buying Investment Property

BY: OPAL AUCTIONS

Understanding the Structure of a Property SPV

THE SPV FRAMEWORK

A Property SPV is a **special purpose vehicle** that allows investors to manage properties efficiently while maximizing tax benefits and minimizing liabilities.

Benefits of Using SPVs

TAX EFFICIENCY

Utilising an SPV allows for greater **tax efficiency**, enabling investors to optimise their tax obligations and maximize potential returns.

MORTGAGE INTEREST

The SPV structure allows **mortgage interest** to be deducted as a business expense, potentially reducing the overall tax burden on investors.

PORTFOLIO GROWTH

By investing through an SPV, investors can enhance **portfolio growth** by strategically acquiring multiple properties and diversifying their investment assets.

Setting Up Your SPV

ESSENTIAL STEPS FOR ESTABLISHMENT

- Register your company with Companies House
- Use appropriate property SIC codes for classification
- Appoint directors and shareholders for governance
- Open a dedicated business bank account
- Arrange mortgage to finance property acquisition

THINGS TO CONSIDER

When investing through an SPV, it's important to consider various factors:

- **Accounting/Admin**: Maintain accurate records for compliance.
- **Legal/Compliance**: Ensure adherence to regulations.
- **Tax on Profit Extraction**: Understand implications for personal income.

MORTGAGE RATES

Evaluating mortgage rates is crucial for investment success:

- **Market Comparison**: Research competitive offers.
- **Interest Type**: Assess fixed vs. variable rates.
- **Lender Requirements**: Review criteria for approval and terms.

Investing in Tenanted Opportunities

ACCESS ONLINE AUCTIONS

Opal Auctions provides investors with exclusive access to tenanted properties, allowing for immediate rental income and the potential for portfolio expansion.

Professional Support

ESSENTIAL EXPERTS FOR YOUR INVESTMENT JOURNEY

- Accountants for financial advice
- Brokers to secure the best deals
- Solicitors for legal compliance
- Company formation specialists to guide setup

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