




ONE AND ONLY

**BACK TESTING ONE&ONLY'S AI SYSTEM
WHITEPAPER**

CASE ONE - MANCHESTER APARTMENT

Sherborne Street, Manchester, M8




10.0

Price: £80,000.00 - Flat

Buy to let investment or first time buyer opportunity: Set on the ground floor of a purpose built development is this two bedroom flat. The property is to be sold with no onward chain, and offers a lounge, entrance hall with entry phone system, an open plan dining area and well kept communal parts. The development has off street parking behind a code operated security barrier, communal gardens and is situated within a convenient location for a...

See Details ▶

9.75%

 2 Bedroom(s)

On the 31st August, 2018, the One&Only system identified the above property as a 10 – a once in a lifetime investment. To prove the system is accurate, we have back tested this predictive analysis.

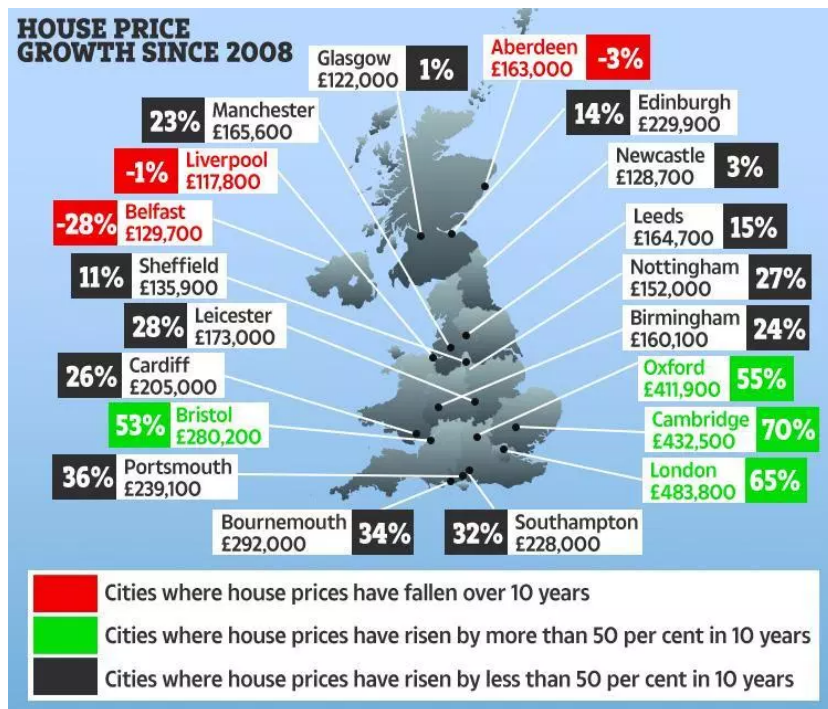
Through our own research, we found similar flats within 97 metres of the property which have sold for £110,500, £108,000, and £105,000, around 11 years ago. We also found a report which showed prices in Manchester were around 23% higher than 2008 prices. This gave us actual sales to back a higher valuation than the asking price on the date the property was listed.

Our research also led us to a local theory that new build premiums were over stated during the height of the last boom. While we accepted this may have been true at one point, these flats were built in 1995 and were therefore not new build, and thus fell outside this theoretical over pricing.




We then made the following calculations:

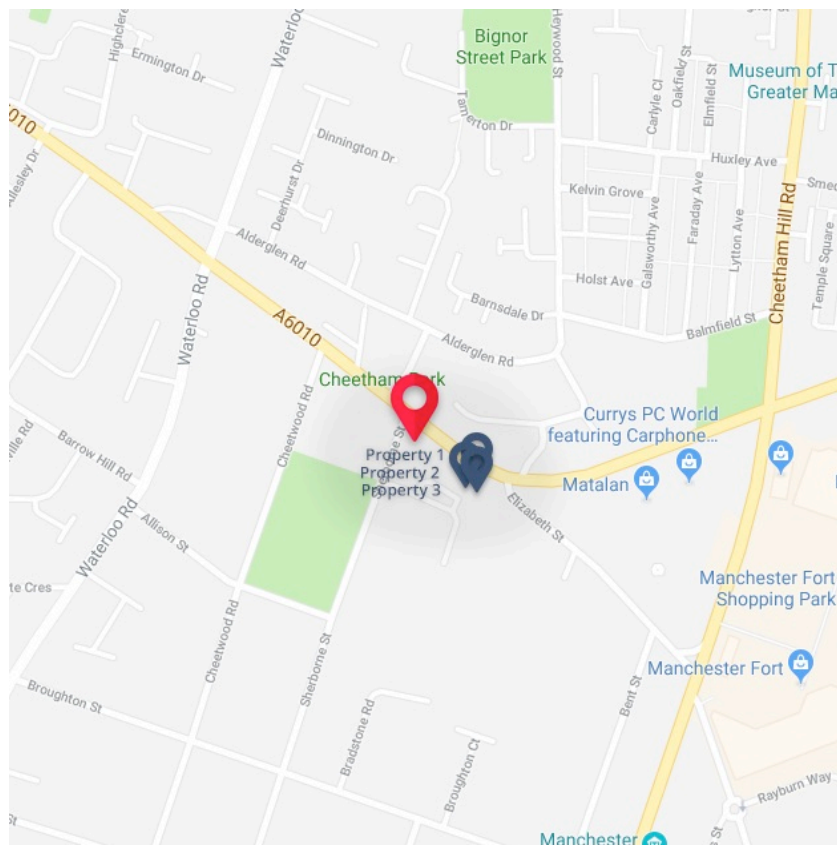
- Property ask price: £80,000
- Comparables average: £108,000
- Uplift since 2008: 23%
- Property true value: In excess of £110,000

We are confident the system correctly identified this as a 10.



(Picture displaying home track data 29th August 2018)

Properties	Land Registry Data	Image																
Property 1 2 bedroom 0.06 miles distance	Flat 55, St. Davids Court, Sherborne Street, Manchester, Greater Manchester M8 8NT																	
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>29 Jun 2007</td><td>Flat, Leasehold</td><td>£110,500</td><td>Land Registry</td></tr><tr><td>13 Jun 2003</td><td>Flat, Leasehold</td><td>£57,500</td><td>Land Registry</td></tr><tr><td>14 Dec 1995</td><td>Flat, Leasehold (New Build)</td><td>£39,450</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	29 Jun 2007	Flat, Leasehold	£110,500	Land Registry	13 Jun 2003	Flat, Leasehold	£57,500	Land Registry	14 Dec 1995	Flat, Leasehold (New Build)	£39,450	Land Registry
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	13 Jun 2003	Flat, Leasehold	£57,500	Land Registry														
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Property 2 2 bedroom 0.06 miles distance	Flat 57, St. Davids Court, Sherborne Street, Manchester, Greater Manchester M8 8NT																	
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>30 Nov 2007</td><td>Flat, Leasehold</td><td>£108,000</td><td>Land Registry</td></tr><tr><td>10 Oct 2003</td><td>Flat, Leasehold</td><td>£75,000</td><td>Land Registry</td></tr><tr><td>17 May 1996</td><td>Flat, Leasehold (New Build)</td><td>£39,600</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	30 Nov 2007	Flat, Leasehold	£108,000	Land Registry	10 Oct 2003	Flat, Leasehold	£75,000	Land Registry	17 May 1996	Flat, Leasehold (New Build)	£39,600	Land Registry
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17 May 1996	Flat, Leasehold (New Build)	£39,600	Land Registry															
																		
Property 3 2 bedroom 0.06 miles distance	Flat 75, St. Davids Court, Sherborne Street, Manchester, Greater Manchester M8 8NT																	
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>02 Aug 2007</td><td>Flat, Leasehold</td><td>£105,000</td><td>Land Registry</td></tr><tr><td>17 Oct 2001</td><td>Flat, Leasehold</td><td>£45,500</td><td>Land Registry</td></tr><tr><td>30 Apr 1996</td><td>Flat, Leasehold (New Build)</td><td>£39,600</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	02 Aug 2007	Flat, Leasehold	£105,000	Land Registry	17 Oct 2001	Flat, Leasehold	£45,500	Land Registry	30 Apr 1996	Flat, Leasehold (New Build)	£39,600	Land Registry
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(Case One properties on the map)




Property on One&Only



Properties on Land Registry

CASE TWO – LEEDS APARTMENT

Blackthorn Court, Leeds, LS10



10.0

Price: £40,000.00 - Flat

The Express Estate Agency is proud to offer this REALISTICALLY PRICED opportunity ♦ all interest and OFFERS are INVITED.

See Details ▶

21.00%

1 Bedroom(s)

On the 4th September 2018, the system identified a property in Leeds as a 10, which also had an exceptional yield of 21%. To look at the underlying reasons for both score and yield, we looked at an example purchase.

First, we compared its purchase to buying a stock with a PE ratio of 5. Most stock market gurus regard a PE of 5 as a clear buying signal as the average is around 20-25. In this instance, the high yield coupled with the stability and long term security inherent in a property investment makes it a prima facie 10, but we wanted to look deeper.

Next, we looked at a leveraged buy:

With a £10,000 cash deposit and £30,000 mortgage with a conservative interest rate of 2%, we would have a mortgage payment of £50 pcm.

We manually checked the potential rental yield, which was £700 pcm.

Annual Rent – Annual Mortgage Cost = Gross Yield of: £8400- £600= £7800

Therefore, using a £10,000 deposit, a gross potential return of £7800 is possible which is a 78% cash on cash return. This is a market beating return in any investment sector from bonds through stocks to all property types.


To double check the security of the investment we modelled the data with interest rates up to 20% and were still able to make gains.

Note on Surveyor Valuations

We feel that property may be undervalued by the innate conservatism of surveyors. Due to their professional rules, guidelines from lenders and conventions in the industry, they are limited to comparables within very tightly defined radii, and cannot perform complex, market focused analysis like One&Only. Their valuations should be read more as a legal backstop, and are really designed to cover lenders rather than express the true value a property would realise on the open market. We feel our model is far more accurate in this regard.

CASE THREE – MANCHESTER HOUSE

Roman Road, Manchester, M35




Price: £130,000.00 - Semi detached house

A three bedroom family semi detached in need of some modernisation, which is offered for sale with no onward chain. The accommodation comprises of; entrance hall, lounge, dining room, kitchen, bathroom, separate cloakrooms and the three bedrooms. There is double glazing and gas central heating. Viewing is essential to appreciate the potential this home has. Ground floor Entrance porch Double glazed surround, french doors to the front. Entrance...

[See Details ▶](#)

6.69%

 3 Bedroom(s)

This Manchester house has both a very reasonable yield of almost 7%, and an exceptional score of 10. We were able to find very recent comparables which showed there was a price differential of almost £40,000 between this house and the other nearby properties.

As these comparables were only a few months old in one instance, we could find no local or national events which would indicate there has been a slump in that area of Manchester. Allowing for modernisation costs and stamp duty, it was clear this property was undervalued.

Properties**Land Registry Data****Image****Property 1**
3 bedroom

0.16 miles distance

4 Mabel Road, Failsworth, Manchester, Greater Manchester M35 9EW

Sale Date	Property	Price Paid	Source
29 Jun 2017	Semi-Detached, Freehold	£180,000	Land Registry
04 Feb 2005	Semi-Detached, Freehold	£150,000	Land Registry
07 Feb 2002	Semi-Detached, Freehold	£57,000	Land Registry

**Property 2**
3 bedroom

0.09 miles distance

37 Stansfield Road, Failsworth, Manchester, Greater Manchester M35 9FA

Sale Date	Property	Price Paid	Source
24 Nov 2017	Semi-Detached, Freehold	£174,950	Land Registry

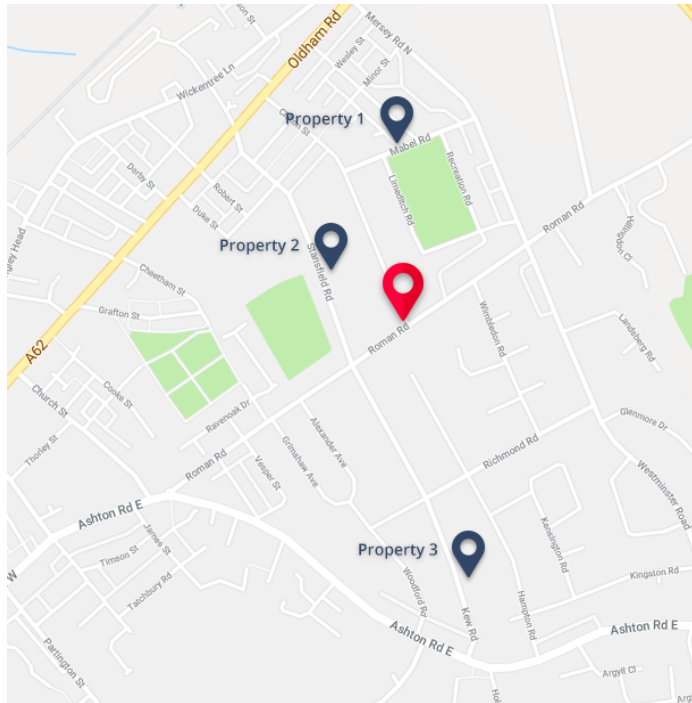
**Property 3**
3 bedroom

0.21 miles distance

42 Kew Road, Failsworth, Manchester, Greater Manchester M35 9LD

Sale Date	Property	Price Paid	Source
18 May 2018	Semi-Detached, Leasehold	£170,000	Land Registry





(Case Three properties on the map)




Property on One&Only



Properties on Land Registry

CASE FOUR – LONDON APARTMENT

2 Bedroom Flat, London, Victoria Rise, SW4 0PF




Price: £450,000.00 - Flat

2 Bedroom Flat, London, Victoria Rise, SW4 0PF Property DescriptionGuide price 450,000-475,000 We are delighted to offer to the market this garden flat located near the ever popular Clapham Common. The property benefits from an open plan kitchen-reception, two bedrooms, two bathrooms and a private rear garden offering the ideal summer retreat. Victoria Rise which is home to many Victorian properties which provides a peaceful setting not too ...

10.0




See Details ▶

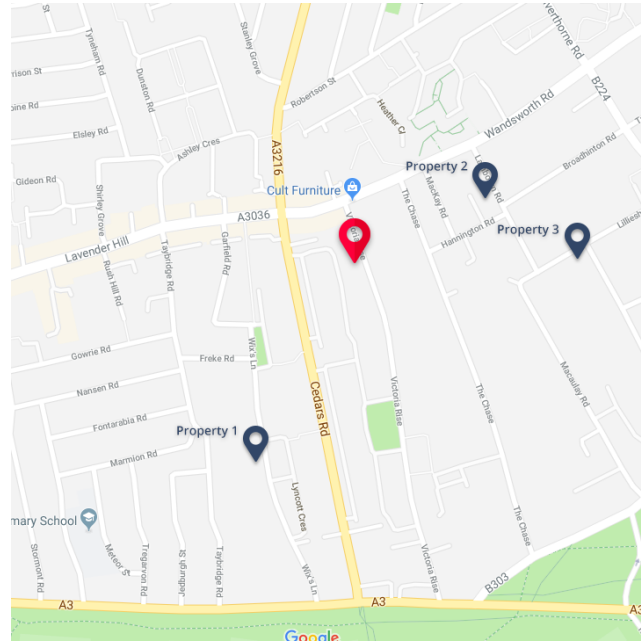
4.93%

 2 Bedroom(s)

A 10 in London seems to go against the conventional wisdom that London is overpriced and a place where it is hard to find bargains. Our data shows that this perception may be mostly psychological bias, and that London continues to produce very solid investments with plenty of room to growth.

We began by looking for nearby properties. Even a cursory glance showed that flats of inferior character were selling for considerably higher prices during 2015/2016. We are able to find a comparable property, with only one bedroom, which sold for £750,000. We believe that even with stamp duty factored in, this property still represents outstanding value for money.

Properties	Land Registry Data	Image																						
Property 1 2 bedroom maisonette 0.18 miles distance	55a Wix's Lane, London, Greater London SW4 0AH																							
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>21 Sep 2015</td><td>Flat, Leasehold</td><td>£799,950</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	21 Sep 2015	Flat, Leasehold	£799,950	Land Registry														
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21 Sep 2015	Flat, Leasehold	£799,950	Land Registry																					
Property 2 2 bedroom flat 0.13 miles distance	24a Lambourn Road, London, Greater London SW4 0LY																							
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>23 May 2016</td><td>Flat, Leasehold</td><td>£735,000</td><td>Land Registry</td></tr><tr><td>09 Sep 2011</td><td>Flat, Leasehold</td><td>£422,000</td><td>Land Registry</td></tr><tr><td>07 Mar 2001</td><td>Flat, Leasehold</td><td>£245,000</td><td>Land Registry</td></tr><tr><td>30 Nov 1999</td><td>Flat, Leasehold</td><td>£225,500</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	23 May 2016	Flat, Leasehold	£735,000	Land Registry	09 Sep 2011	Flat, Leasehold	£422,000	Land Registry	07 Mar 2001	Flat, Leasehold	£245,000	Land Registry	30 Nov 1999	Flat, Leasehold	£225,500	Land Registry		
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30 Nov 1999	Flat, Leasehold	£225,500	Land Registry																					
Property 3 1 bedroom flat 0.2 miles distance	Flat A, 51 Lillieshall Road, London, Greater London SW4 0LW																							
	<table><tr><th>Sale Date</th><th>Property</th><th>Price Paid</th><th>Source</th></tr><tr><td>12 Aug 2015</td><td>Flat, Leasehold</td><td>£720,000</td><td>Land Registry</td></tr><tr><td>29 Jun 2011</td><td>Flat, Leasehold</td><td>£475,000</td><td>Land Registry</td></tr><tr><td>04 Jul 2005</td><td>Flat, Leasehold</td><td>£370,000</td><td>Land Registry</td></tr><tr><td>08 May 2001</td><td>Flat, Leasehold</td><td>£273,000</td><td>Land Registry</td></tr><tr><td>30 Apr 1999</td><td>Flat, Leasehold</td><td>£144,000</td><td>Land Registry</td></tr></table>		Sale Date	Property	Price Paid	Source	12 Aug 2015	Flat, Leasehold	£720,000	Land Registry	29 Jun 2011	Flat, Leasehold	£475,000	Land Registry	04 Jul 2005	Flat, Leasehold	£370,000	Land Registry	08 May 2001	Flat, Leasehold	£273,000	Land Registry	30 Apr 1999	Flat, Leasehold
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(Case Four properties on the map)



Property on One&Only



Properties on Land Registry

CASE FIVE – BIRMINGHAM HOUSE

Dunslade Road, Birmingham, B23




Price: £130,000.00 - End of Terrace

THE PROPERTY Set back from Dunslade Road with a driveway providing ample off road parking, this lovely end terraced home is ideal for small families and particularly for first time buyers due to its fantastic price. Upon entering the property through the main front door viewers are brought into a short entrance hallway with staircase immediately in front and a door leading through to the lounge on the right. The lounge is well decorated, a the...

[See Details ▶](#)

5.76%

 2 Bedroom(s)

We are always looking at the full range of properties within our system, not just the outstanding investments. This property in Birmingham had a much lower score. While its yield is also acceptable to most investors, it is at the lower end of the spectrum compared to many One&Only listings.

It was easy to find comparables which showed that the property was slightly undervalued, giving an investor a small possible gain, and would probably hold its value well.

Properties**Land Registry Data****Image**

Property 1
2 bedroom house
0.06 miles distance

55 Abbeyfield Road, Birmingham, West Midlands B23 5LN

Sale Date	Property	Price Paid	Source
26 Oct 2017	Terraced, Freehold	£136,000	Land Registry
04 Apr 2003	Terraced, Freehold	£57,500	Land Registry

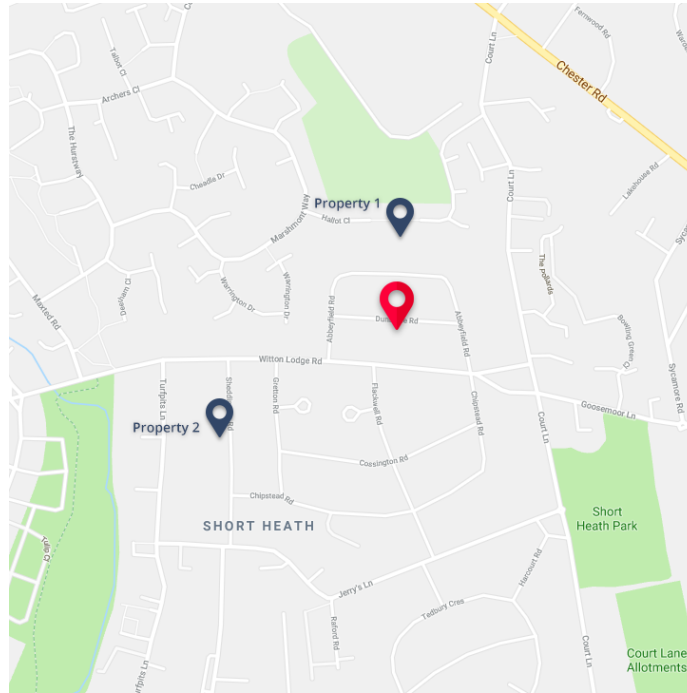


Property 2
2 bedroom house
0.06 miles distance

62 Sheddington Road, Birmingham, West Midlands B23 5ED

Sale Date	Property	Price Paid	Source
11 Jul 2017	Terraced, Freehold	£135,500	Land Registry





(Case Five properties on the map)



Property on One&Only

Properties on Land Registry