

AURA PROPERTY DEALS LTD

Aura Auction Ready™

SAMPLE REJECTED DEAL REPORT

ANONYMISED SAMPLE PROPERTY
3-bedroom auction house - West Midlands

Illustrative historic/practice analysis showing how Aura identifies when margin and risk do not justify progression. This is not a current property recommendation or valuation.

Know your number. Know your exit. Before you bid.

Sample report • September 2026

1. Executive Deal Snapshot

Metric	Working figure
Auction guide	£150,000+
Likely purchase	£170,000
Refurb allowance	£38,000
Base GDV	£245,000
Base rent	£1,150 pcm
Primary exit tested	Flip / BRR / BTL
Refurb confidence	UNVERIFIED
Preliminary outcome	REJECT

Aura view: The guide initially appears attractive against the headline resale value, but true acquisition costs, refurbishment and realistic exit evidence remove the margin. The deal also contains unresolved condition and legal-pack risk.

2. Comparable & GDV Challenge

Comparable	Sold price	Adjustment / issue
Comp A	£250,000	Better condition
Comp B	£242,000	Smaller refurb requirement
Comp C	£265,000	Larger / superior specification

GDV scenario	Value	Aura treatment
Conservative	£235,000	Downside case
Base	£245,000	Supported working case
Upside	£260,000	Not safe to rely upon

3. Refurbishment Risk

Refurb Confidence Rating™: UNVERIFIED. Listing information suggests significant works, but no contractor quotation or survey is available. Aura therefore applies a larger contingency rather than assuming a cosmetic refurbishment.

Workstream	Allowance
Kitchen / bathroom	£11,000
Decoration / flooring	£6,000
Heating / electrical	£6,000
Roof / damp / external contingency	£6,000
General repairs	£3,000
Contingency	£6,000

TOTAL	£38,000
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4. True Acquisition & Project Costs

Cost item	Working figure
Purchase price	£170,000
Higher-rate SDLT (illustrative)	£10,400
Auction / buyer fees	£2,700
Purchase legal / searches	£2,000
Refurbishment	£38,000
Finance / holding / contingency	£11,000
Aura sourcing fee (2%)	£3,400
Resale / exit costs	£5,500
TOTAL PROJECT COST	£243,000

5. Exit Strategy Stress Test

Scenario	Conservative	Base	Upside
GDV	£235,000	£245,000	£260,000
Indicative profit	-£8,000	£2,000	£17,000
Return on cost	-3.3%	0.8%	7.0%

BRR / BTL cross-check: £1,150 pcm produces £13,800 annual gross rent. At the £245,000 base GDV that is approximately 5.6% gross yield. A 75% illustrative refinance would be £183,750, leaving substantial capital in the deal before refinance costs. The alternative exits do not rescue the weak acquisition.

6. Where the Numbers Stop Working

To preserve an illustrative 20% return-on-cost target at the £245,000 base GDV, the purchase price would need to be materially below the expected £170,000 hammer level. On these assumptions, competitive bidding would move the property further away from Aura's target rather than improve it.

AURA OUTCOME
REJECT
Do not force the numbers. Reconsider only if the purchase price, verified refurb cost or evidence-led GDV changes materially.

7. Key Risks & Unknowns

Status	Issue
RED	Base flip margin is effectively exhausted.
RED	Refurbishment is unverified and could exceed allowance.
AMBER	Upside GDV relies on superior finish / comparability.

AMBER	Auction Special Conditions may add costs.
AMBER	Rental yield does not compensate for the weak acquisition basis.

8. Sample Conclusion

REJECT. The opportunity does not meet the modelled investor return at the expected purchase price. Aura would not improve the presentation by relying on the highest GDV or lowest refurb assumption. The correct outcome is to walk away unless materially better evidence changes the appraisal.

Important notice

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