

ALREADY INVESTED IN PROPERTY EDUCATION? TURN THAT KNOWLEDGE INTO SERIOUS PROFIT WITH TITLE SPLITTING

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If you're a regular YPN reader, chances are you've already invested in your property education. Perhaps, like me when I first started, you've made a substantial investment in training but haven't quite found the perfect strategy to grow both your income and equity from property. Or maybe you've increased your income, but you're now looking to boost your equity position and diversify your portfolio. The good news? In this month's article, I'll show you how you can take everything you've already learnt and apply it to title splitting—unlocking up to 43% capital uplift (split value vs block value).

Like many people in property, I was an accidental landlord. I started in 2005 when I bought a property to rent out to a family member who needed a home. Between 2005 and 2015, I acquired a few more properties, mainly as a long-term pension investment, rather than for cash flow—my income at the time came from my corporate job.

In 2015, I attended a short property training event and realised I could replace my job income with income from property. That realisation led to an initial £20K investment in training. I made the leap, learnt a variety of strategies, and made back both the course cost and a further £10K in coaching costs through my very first buy-to-let deal—while still in training. My trainers taught a wide range of strategies. Each one said theirs was the one to focus on above all others. So, I decided to learn them all, including:

- Buy, Refurbish, Refinance
- Finance strategies (creative and standard), including working with investors.
- Options and Lease Options
- Rent to Rent
- Serviced Accommodation
- HMOs
- Supported Living
- Commercial to Residential

My mentors tried hard to persuade me to invest in HMOs or serviced accommodation (and I did try both). In both instances, I realised that, for me personally, those strategies just didn't fit. I was in my mid-forties at the time and had no interest in replacing my corporate job with another job—managing serviced accommodation or managing HMOs. I also had concerns about saturation in many investment areas of these strategies.

Between 2015 and 2017, I asked everyone I came across—mentors, coaches, developers, and trainers—if they could teach me how to title split blocks of apartments, commercial property, and land. But I wasn't looking to do this as a typical developer who sells off the units after splitting. I wanted to hold these individual units in my portfolio for long-term capital growth and cash flow. I knew that the value of the individual saleable units was worth more than the value of the building as a whole—and that's where the opportunity lies. Title splitting adds value to my portfolio in several important ways:

- 1) 25%-42% capital uplift on day one if implemented correctly.
- 2) Multiple individual units, which can be sold at any time individually to retail buyers.
- 3) An average of 65% additional cash flow for two flats (1 bed versus a 2-bed house).
- 4) Every unit will grow in line with UK capital growth over the next 5,10,15,20 years.
- 5) The ability to buy at market value (rent and yield) for a block and use title splitting to add value over time or with refurbishment.
- 6) Access to an average of 2% lower interest rates than commercially valued blocks or HMOs.

Let's take blocks of flats as an example. There are hundreds of thousands of these across the UK, owned by private landlords and commonly known as Multi-Unit Freehold Blocks (MUFBs). This is where multiple flats with different addresses exist on one

freehold. What continues to surprise me is how many developers do not know how to title split these blocks, even when they sell them. I can see 'sold subject to contract' properties on the market, and I can often tell that the deal will fall through—because they're overpriced. Here is one example right now of the SSTC on the Southeast Coast.

- Advertised Price in April 2025: £1,400,000
- 6 Apartments (1 and 2 beds)
- Rent: £82,000 PA (BTL)
- 5.85% yield

Let's compare the estimated block value with different yield calculations:

- 5.85% yield: Multiplier of 17.09 x £82,000 = estimated valuation of £1,401,380 (this is the yield the property is being sold at).
- 6% yield: Multiplier of 16.67 x £82,000 = estimated valuation of £1,366,940
- 7% yield: Multiplier of 14.29 x £82,000 = estimated valuation of £1,171,780
- 8% yield: Multiplier of 12.5 x £82,000 = estimated valuation £1,025,000

In this town, the average yield is closer to 7–8%, which means the property is clearly overpriced (this is quite common). In fact, it's listed at around £375,000 over its actual block value. If the purchaser is splitting the block, then they might achieve the valuation of £1,400,000. However, that outcome is unlikely. What usually happens is that the deal collapses when the RICS surveyor values the block as per the actual yield in the area. This is why so many of these blocks fall through at the valuation stage: neither the vendor nor the agent fully understands that banks will base their valuation on the current yield and rent, not potential.

As a landlord or developer purchaser, it is essential to utilise everything you've learnt in property so far to help you buy a block of apartments and apply the title-splitting strategy effectively. As with all strategies, the best

approach is to add value through refurbishment and by using creative techniques.

The title split 5-Step Journey to capital uplift on day one of purchase:

1. Contract to buy
2. Refurbish
3. Buy
4. Split
5. Refinance

Let's look at one of my client's recent deals—also located in the Southeast towards the coast. (Please note: I never share the exact location, as this is the client's personal investment area.)

This client followed our 5-step journey to capital uplift and secured the property over an 18-month period. (Refer to the illustration for a visual breakdown of how this works.)

- 1) **Contract to buy agreed late 2023.** The property is 5 flats already, but there are a few problems that need fixing for the flats to be mortgageable. The buyer has agreed to the purchase and refurbishment of the project and has agreed to fix issues prior to purchase. Purchase price agreed: £485,000.
- 2) **Refurbish.** The buyer has agreed with the seller that the buyer will do refurbishment prior to the purchase. The total spend on the refurbishment, SDLT and fees is £186,300.
- 3) **Buy.** The purchase was made in summer 2025 for a total of £485,000 as agreed.
- 4) **Title Split.** The building was split into 6 separate titles on the day of purchase.
- 5) **Refinance.** The refinance takes place at the split value of £880,000.

The profit in the deal was £263,104.

Please note failure to title split at this stage—and choosing to retain the property as an MUFB—would leave £239,473 of profit locked in the deal. It is essential that landlords release as much of this as early as possible after purchase.

How can I use the other strategies where I have invested in education to help me title split?

Buy, Refurbish, Refinance (BRR):

If you've studied the BRR strategy during your education, you'll know the importance of thorough market research before investing. This is why it's important to select a defined

investment area, understand local market values, and target distressed properties where you can add value through refurbishment.

Buy low and add value through refurbishment. It is essential to refurbish to a good standard for the market and ensure you meet the required EPC rating of C. Once value has been added, you refinance onto a term lender mortgage product. The title split is the icing on the cake, and in the example here, the capital uplift for the investor was 42.64%.

Finance Strategies (Creative and Standard), including working with investors:

Creative finance strategies, executed within the rules, were key to achieving the £880,000 valuation on day one of purchase. Value was also added prior to the purchase, which meant that the buyer did not have to pay a mortgage or bridging loan whilst going through the refurbishment stage.

Options and Lease Options:

This strategy is often used when buying blocks. In the purchase of this block, a lease option could be used to secure control of the property during the refurbishment phase. (Please note: if the block has lending on it, you will need permission from the bank before carrying out any refurbishment.) The lease option will allow you to fix problems and apply for any additional planning permission. You might also incorporate a rent-to-rent-to-buy element—paying rent to the landlord during the option stage. I personally love lease options, as it means I do not have to commit to expensive bridging, and the landlord can still benefit from income during the purchase process. It saves a fortune in unnecessary interest payments.

Serviced Accommodation:

If you are purchasing existing blocks of flats, then title splitting them so that each unit can be sold or financed individually is essential. For instance, what if the area you invest in SA becomes saturated? By having the title split SA units, they can be individually sold or refinanced. They will also grow in line with capital growth.

HMOs (Houses in Multiple Occupation):

Many older HMOs need refurbishment. Additionally, there are numerous unsplit blocks of flats in the traditional HMO areas. Every time you create individual apartments (even if you plan to rent them out on a room-by-room basis), you open the door to either buy-to-let or commercial mortgages, depending on which offers the better valuation on the property at the time. However, remember that creating two-bed apartments and then title splitting protects your capital growth for the future.

Anyone who has experienced a 'down valuation' on HMOs or flats after 5 or 10 years will know that values on large HMOs and MUFBs can depreciate over time. That's often why these blocks come to market at bargain prices.

Supported Living:

I'm frequently asked about title splitting for supported living apartments. Think of title splitting as a way of protecting your long-term asset. At some point, you may get the property back. When that happens, would you prefer the flexibility to sell individual units to retail buyers—or be forced to sell the whole block to another investor? Title splitting the block before handing it over to the provider ensures you're protecting your long-term investment.

Commercial to Residential Conversions:

One area where there's significant opportunity for title splitting is after a commercial-to-residential conversion. The great thing about commercial projects is that there is a great opportunity to add value through converting former commercial spaces to residential apartments. If you're planning to keep some units and sell others, title splitting the ones you hold ensures an additional capital uplift of 25% to 42%. It would be crazy not to title split your developments if you are planning to hold them in your portfolio.

Utilise What You Know and Start Title Splitting Today:

You can title split blocks, land, and commercial property to add value. Residential title splits also drive capital growth. Usage is not relevant; the key is to view title splitting as a long-term strategy to build capital and cash flow. The good news? You already have the foundation. Everything you've learnt so far can be layered with title splitting on top to grow your capital and cashflow. If you want to learn how to apply this strategy, scan the QR code and join our free title splitting webinar today.



Contact Rachel

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Specialising in training developers and landlords in the art of splitting land and apartment blocks.

