

TITLE SPLITTING LAND, APARTMENT BLOCKS AND COMMERCIAL PROPERTY

WHY 2026 WILL BE THE YEAR THIS BECOMES A MAINSTREAM STRATEGY FOR LANDLORDS

By Rachel Maria Knight



With the current Labour government in power and the constant barrage of tax rises for landlords, we have to be smarter, find better property deals, and really push to make our property portfolios profitable. Title splitting is the property strategy that is changing the game for landlords due to its ability to drive higher cashflow and very fast capital growth. It is very complex, like a jigsaw puzzle, with lots of elements having to be in the right place to make it work. When you know how to do this properly, the rewards are huge.

In this article, I will share two title split deals using the 'Title Split Profit Pyramid' and also explain how our clients are making hundreds of thousands in capital appreciation by title splitting early in ownership.

Title splitting is a strategy where a landlord or property developer acquires a multi-unit property on one freehold (multiple addresses on one freehold title as per the land registry). In order to benefit from the uplift in value, the landlord will split the units into individually registered titles at the land registry (this is the 'title split'). The units will either be freehold or leasehold. When this split is done correctly in all aspects, each separate unit can be sold in its own right, and so the value becomes significantly higher for the sum total of the individual units versus the whole as a single property.

Title splitting residential property creates housing units that can be sold to individual buyers at the open market value (retail price) rather than at the wholesale value of a block of apartments or multiple units on a piece of land, which can only be sold to a property investor.

How banking valuations drive title splitting opportunities in the UK

When a landlord owns multiple units of residential property on one title (freehold) and rents those properties out as buy-to-lets (BTLs), then the property is valued mainly using two elements.

1 The local area commercial yield as defined by the RICS surveyor. The higher the yield in the area, the lower the valuation of the property. For example, London has the lowest yields in the UK, which is why property values there are higher than in other regions.

2 The annual rental income of all the units added together.

If bills are included, these costs are deducted from the rental income. A calculation is then done, giving a yield multiplier.

Example:

- **9% local area yield in an East Midlands city.**
- **Block of apartments with £54,000 annual rental income.**
- **Tenants pay their own bills**
- **100 divided by 9% yield = 11.11 multiplier of rental income**
- **£54,000 (rental income) x 11.11 (yield multiplier) = £599,999 valuation**

The chartered surveyor may add or reduce other elements of this valuation, but this gives a rough idea of how the valuation works when banks ask for property valuations. After all, your top-of-the-market property is the best on the market. But over time, valuations often slide as the property ages and newer stock with modern trends enters the market, making older stock less desirable.

Think about older HMOs in busy areas or flats at the bottom of the market. These properties are harder to let, and rents are lower. This can create voids, and the property value will go downwards over time.

Seven-bed-plus HMOs (sui generis), blocks of apartments (unsplit) and multiple houses on one freehold land title are valued using this investment valuation methodology. These investments do not grow in line with capital growth, as they are investment valuations rather than capital valuations.

How to keep getting the best valuations

In the first instance, properties need to be refurbished to the highest standards (see pictures of a recent title split project in my own portfolio). This is what enables us and our clients to achieve top market valuations.

We always need access to both the title split value and the block value for the sale of our properties, all the time. By splitting a block of apartments, you often achieve an uplift in value from day one. This is because you have now gained access to the retail price or comparable market valuation (split value). This valuation is compared with locally sold properties of a comparable size and finish to your individual units.

You can now sell them to retail buyers. Please note that title-split apartments, where you own all of the apartments in the building on individual titles, can be valued as:

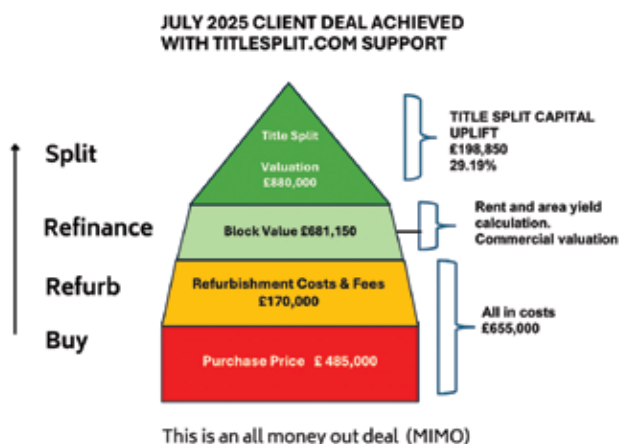
- a) Individual buy-to-let properties compared to local market value.**
- b) Multi-unit block investment valuation, if this valuation is better.**

The great thing we aim for is to have access to either type of valuation by making sure that the property split is structured correctly.

The Title Split Value Pyramid

Residential BTL deal

The title split deal depicted in the image is a deal done by one of our clients, which was completed in July 2025. This is a five-flat residential property in the Southeast. The property was refurbished before purchase by our client's build team. No bridging finance was taken to complete this purchase or refurbishment.



Case study

Purchase of 5 existing flats

Full refurbishment of all 5 apartments completed before purchase

Title split completed on day of purchase

All costs, including refurbishment: **£170,000**

Purchase price: **£485,000**

Block value (investment valuation on day of purchase), estimate: **£681,150**

Split value (as per bank RICS valuation): **£880,000**

5 BTL mortgages achieved on day of purchase @ interest rate: **5%**

Money left in the deal: **£0**

Money into bank account on day of purchase (MIMO): **£5,000**

Rental income on 5 flats per annum: **£54,492**

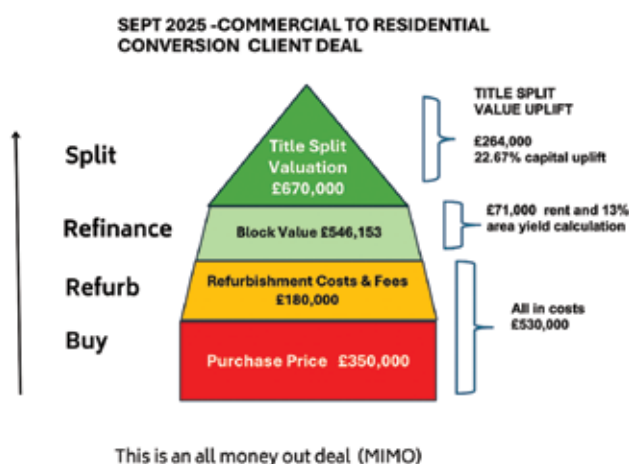
Tax saving to landlord: **£132,000**

Final capital uplift achieved by title split: **£198,850**

The Title Split Value Pyramid

Commercial-to-residential flip

This property in Yorkshire was purchased in September 2024. It was originally a commercial property. By the end of the project, it consisted of four residential units (apartments) and four commercial units.



Case study

Purchase of commercial property (4 commercial retail units and offices above)

Permitted development granted to create 4 residential units

Title split completed after conversion

All costs, including refurbishment: **£180,000**

Purchase price: **£350,000**

Block value – investment valuation after refurbishment: **£546,153**

Title split value achieved by client: **£670,000**

4 BTL mortgages on the residential apartments

Commercial finance on the commercial elements

Money left in the deal: **£0**

Money into bank account on day of term refinance (MIMO): **£92,000**

Rental income on all units per annum: **£71,000**

Final capital uplift on the day of refinance: **£264,000**

The following was achieved using specialist title split strategies for commercial-to-residential conversions and mixed-use properties.

Make the most of the value

Title splitting drives significant value uplift for property investors who understand all the intricacies of the strategy. It is essential that well-meaning professionals do not persuade you to leave it until later. After all, they may mean well, but it is you who leaves the profit you should have access to, in the deal. The great thing about title splitting and then owning property on its own individual land registry title is that it will enable you to sell individual units as and when you want to.

Contact

Rachel Knight

is the foremost expert on the Title Split strategy in the UK. She enables landlords and developers to gain access to the split values on their projects years in advance of what was previously possible.



Contact Title Split Limited (www.titlesplit.com) to find out how you can have access to this amazing lucrative cashflow and capital growth strategy. Or scan the QR code to join our free webinar and learn more about Title Splitting.



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