HIDING IN PLAIN SITE

THE POWER OF TITLE SPLITTING MIXED-USE AND COMMERCIAL-TO-RESIDENTIAL CONVERSIONS

By **Rachel Maria Knight**

The possibilities…

We are incredibly excited for our clients at TitleSplit.com as they are doing creative property deals that are transforming their lives and financial futures. In this month's article here in YPN, I want to demonstrate the incredible possibilities available to you in today's market.

Our amazing clients are applying exactly what we have taught them, to identify outstanding property opportunities both on and off the market. They then use our unique title split profit system to generate hundreds of thousands and in some cases, millions of pounds in additional value. We help our clients structure each deal for maximum profit and efficiency, while our trusted power team (trained by us) supports every stage of the project to help them achieve a smooth delivery.

Mixed-use and commercial properties

There is currently a huge opportunity to do all-money-out deals on mixed-use and commercial properties. The target vendors for this strategy are landlords looking to exit.

The market we operate in has changed significantly over the past five years. According to Aldermore Bank's June 2026 research, despite strong yields and high rental demand, 42% of landlords plan to reduce their property portfolios in the near future. Many are exiting the market due to changing regulations, higher taxation, rising maintenance costs and bills, and higher interest rates. Commercially valued properties are being hit particularly hard in this scenario, as higher interest rates lead to stronger yields. This, in turn, leads to lower investments (commercial valuations). I have written in detail about how this works in previous editions of YPN magazine, but to recap, some investment property types are seeing lower valuations with strengthened yield. For clarity, when yields go up (affected by market factors), investment valuations go down. The impacted property types include:

- **Commercial properties**
- **Multi-unit blocks of apartments (multiple addresses on one freehold)**
- **Mixed-use properties (a mixture of commercial and residential units on one freehold)**
- **Sui Generis HMOs (large HMOs with more than six units)**
- **Multiple properties on one freehold (eg, a developer decides to keep and rent them out under one title)**

This creates a huge opportunity for those of us looking to buy these units and then title split them into multiple Land Registry titles. (If you would like to understand this in more detail, watch our YouTube video on the TitleSplit.com channel, where we explain how stronger yields influence commercial property valuations and why this creates opportunities for title splitting.)

I'm going to share two recent client deals completed in spring and summer 2026 that demonstrate what's possible with the right strategy.

- **Deal 1: London – £3,040,000 GDV (Gross Development Value) and £1,040,000 capital uplift**
- **Deal 2: Lincoln – £950,000 GDV and £240,000 capital uplift**

Both of these case studies exemplify what you can achieve with creative title splitting.

Case Study 1: Buy-to-title split

London: Lukasz and Dorota's fabulous title split on purchase, near Shoreditch

Lucasz & Dorota Udala joined our Title Split Mastermind Programme in May 2025, where they learned exactly how to implement a title split deal using our Title Split Profit System.

As soon as he understood the process, Lucasz began searching for suitable opportunities. His first purchase completed in May 2026, achieving around £1m in capital uplift generated on the day of purchase. Throughout the project, he used our deal-checker process to navigate the complexities involved and we used creative deal structuring to help him do this in a straightforward way and with maximum profit.

This is a mixed-use property (sometimes known as 'shops with tops' or 'shops with uppers'). The property pictured is a ground-floor commercial unit (currently a restaurant) and six residential units. Seven units (addresses) were held on one freehold title prior to purchase.

Purchase price:	**£1,999,999**
Stamp Duty and all costs (no development costs):	**£239,416**
Total cost of purchase:	**£2,239,415**
Savings using Title Split Profit System ...	
Additional SDLT saving:	**£141,500**

This cost was negated by the system used for the title split. Stamp Duty savings must, however, always be calculated using a specialist tax accounting perspective.

GDV valuation once the units were title-split

Commercial property:	**£300,000**
Unit A residential:	**£390,000**
Unit B residential:	**£390,000**
Unit C residential:	**£480,000**
Unit D residential:	**£390,000**
Unit E Residential:	**£390,000**
Unit F Residential:	**£700,000**
Total RICs valuation:	**£3,040,000**

This is £1,040,000 capital uplift on day one.

Borrowing for refinance @ 73.66% Loan to Value (LTV) = £2,239,264

Annual rental income:	**£184,500**
Monthly cashflow:	**£5,297.50**
Annual cashflow:	**£63,570**

Lucasz and Dorota ensured that their end GDV enabled them to get all of their money out of the deal upon refinance. We call this a MIMO (Money In, Money Out) property deal. The capital uplift on day one was 52.07%, and we helped Lucasz and Dorota with the following elements of the deal:

- **structuring the exact methodology of the title split with them prior to purchase;**
- **deal structuring, to make sure that all the pieces of the title split jigsaw came together to get the best value and achieve a refinance that covered all costs;**
- **professional advice from our power team to ensure compliance. (Please note that Titlesplit.com does not provide legal, tax advice or financial advice.)**

Case Study 2:
Buy-to-convert

Lincoln: Steve Giles's 4-apartment commercial-to-residential conversion

Steve joined our Mastermind Programme in July 2024. He is a long-term member of our community and is an experienced property investor and building contractor. The property pictured was purchased in Lincoln in May 2025. The building was commercial, and Steve's plan was always a full commercial-to-residential conversion with a title split 'cherry on top'.

On the day of purchase, the property had consent for user class E, commercial. The property is in an Article 4 area and within a conservation area, so consents were sought for conversion into four residential apartments. Steve decided to convert them to the highest standards in the market.

Purchase price:	**£310,000**
Stamp Duty and acquisition cost:	**£100,000**
Development costs:	**£300,000**
All costs for completing the deal:	**£710,000**
GDV:	**£950,000**
Gross profit:	**£240,000**

Savings using Title Split Profit System ...

Additional SDLT saving: £86,250

This cost was negated by the system used for the title split. Stamp Duty savings must always be calculated using a specialist tax accounting perspective.

The planned exit strategy is to sell one unit and keep three for the buy-to-let rental market.

Borrowing for refinance @ 75% LTV = £712,500 if Steve decides to keep all of the units.

This is also a Money In, Money Out (MIMO) project, but if he sells one of the flats for £237,500, he could use some of the released equity to reduce his mortgage costs.

Mixed-use and commercial-to-residential conversion presents a huge opportunity for buy-and-hold investors (landlords). Title splitting is essential to ensure that the money can be taken out of the deal, as in most areas unsplit freeholds have a lower valuation than title-split freeholds and leaseholds. In addition, we are currently in a buyer's market phase, making it increasingly important for developers like Steve to understand how to sell selected units while retaining and title splitting the remaining ones to release equity. Steve knows exactly how to achieve this with the support of our deal support service and experienced power team.

Contact

TitleSplit.com helps landlords and developers unlock significant capital uplift by structuring their title split projects correctly. **Rachel Knight** is one of the UK's leading title split experts and works with landlords and developers across the country to help them maximise the value of their property opportunities.

For more information, visit **www.titlesplit.com** or contact us at **01332 412575** or **info@titlesplit.com**.