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Sample Property Decision Audit

Off-plan Manchester apartment scenario

This is a redacted sample of a Property Decision Audit using a fictional scenario. It shows the structure, posture and investigative scope of the work. The full analytical method, complete Industry Decoder analysis, scoring logic and diagnostic question set used in paid engagements are not reproduced here. The investor, developer and scheme are composites. Any resemblance to real situations is coincidental.

Initial view	Yield on proposed unit	Audit status
Not a clean proceed	5.87% at advertised rent; 4.7%-4.9% on current evidence	Further investigation required

Snapshot summary

Item	Summary
Investor profile	Private investor with approximately £400,000 deployable capital
Existing position	One existing buy-to-let property in Leeds, purchased two years ago
Proposed acquisition	Two-bedroom off-plan apartment on the eastern fringe of Manchester city centre
Listed price	£450,000
Advertised rent on proposed unit	£2,200 per calendar month
Headline marketing yield	"Up to 8.5%" - calculated against cheapest one-bedroom units in the scheme
Yield on proposed two-bedroom unit	5.87% at advertised rent; approximately 4.7%-4.9% at currently achievable market rent
Completion timeline	Approximately two years
Incentives	Furniture pack, legal fees paid by developer, twelve months free management
Initial view	Not a clean proceed
Audit status	Further investigation required before commitment

If you are weighing a specific property decision, the Property Decision Audit applies this method to your situation. Book an Architecture Review to scope the work.

1. Decision context

Investor position

The investor has approximately £400,000 of deployable capital and currently owns one buy-to-let property in Leeds, purchased two years ago.

They are considering this acquisition as their second investment property.

Their stated objective is long-term capital growth and net income over roughly ten years. They would prefer a hands-off investment and have done independent reading on property investment, but have not previously been pitched an off-plan scheme.

Proposed acquisition

The proposed acquisition is a two-bedroom flat in an off-plan development on the eastern fringe of Manchester city centre.

The listed price is £450,000.

The advertised rent on this specific unit is £2,200 per calendar month, producing a gross yield of 5.87% on the asking price.

The development's wider marketing material leads with a headline figure of "up to 8.5% gross yield" — this figure is calculated against the cheapest one-bedroom units in the scheme, priced at approximately £230,000–£260,000. It does not apply to the unit being proposed to this investor.

Estimated completion is approximately two years from the current date.

How the unit was recommended

The investor was originally enquiring about a different property — a completed listing on a major property portal. They were contacted by the developer's sales team, who suggested that this off-plan scheme would suit them better given their stated investment objectives.

Within that scheme, the investor expressed interest in a one-bedroom unit. The sales team then steered them toward the two-bedroom option, citing stronger long-term capital growth potential and greater family-tenant demand.

That shift forms part of the audit scope because it changes the investor's capital exposure, alters the deal economics, and moves the investor away from the unit type that produced the headline yield in the development's marketing material.

Incentives included

The offer includes:

- Furniture pack, stated value £8,000
- Legal fees paid by the developer
- Twelve months of free management following completion
- No rent guarantee

The presence of incentives does not automatically make the acquisition weak. However, incentives should be tested against the underlying price, comparable market evidence and the true economic position of the buyer.

A furniture pack, legal fee contribution or free management period may reduce visible friction, but it does not necessarily improve the quality of the underlying asset.

Source of enquiry

The investor's initial enquiry was on a different completed property listed on a major property portal.

They were later contacted by the developer's sales agent, who suggested that this off-plan scheme would suit them better given their stated investment objectives.

That sales pathway is relevant. The audit is not only assessing the property. It is also assessing the route by which the investor arrived at the opportunity, the assumptions introduced during that process, and whether the recommendation appears aligned with the investor's position.

2. Audit scope

This is a Property Decision Audit.

It assesses the proposed acquisition as a capital decision before the investor commits further.

This audit assesses

The structural soundness of the proposed acquisition

Fit with the investor's stated objectives

Credibility of pitch material and rental projections

Pricing relative to comparable completed stock

Key risks requiring further investigation

The sales pathway that led to the opportunity

Whether the investor should proceed, pause, renegotiate, reject or investigate further

This audit does not provide

Regulated financial advice

Mortgage advice

Tax advice

Legal advice

A formal valuation

A building survey

Full portfolio strategy analysis

The investor's existing single buy-to-let property does not yet constitute a complex portfolio for this purpose. A broader Portfolio Structure review would only be relevant if the investor's wider position — borrowing, equity, liquidity, tax structure and future acquisition strategy — needed to be assessed in detail.

3. Executive view

Initial conclusion

This is not a clean proceed.

The opportunity may still be capable of passing further review, but the current information does not justify commitment.

The pricing, yield framing, sales pathway, unit recommendation and completion timeline all require deeper investigation before the investor should reserve, exchange or commit further capital.

On the information provided, the pitch appears to rely on a headline yield that does not apply to the proposed unit, an advertised rent that may not be supported by current market evidence, and a sales process that has shifted the investor away from the unit type producing the marketing figures.

None of those points automatically make the acquisition unsuitable.

Together, they create enough uncertainty that proceeding without further investigation would be poor decision discipline.

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4. Primary concerns

1. The advertised yield does not apply to the proposed unit

The 8.5% figure leading the development's marketing materials is calculated against the cheapest one-bedroom units in the scheme, priced around £230,000–£260,000.

The proposed two-bedroom unit at £450,000 with advertised rent of £2,200 per calendar month produces a gross yield of 5.87% — already materially below the headline.

Further, the advertised rent itself may not be supported by current market evidence. Initial research into comparable two-bedroom rentals in the immediate area suggests current achievable rent may be closer to £1,750–£1,850 per calendar month. Recalculating at currently achievable rent gives a gross yield of approximately 4.7%–4.9% on the proposed unit.

The investor is therefore being shown a headline yield (8.5%) that applies to a unit they are being steered away from, on a deal whose actual yield on the recommended unit is materially lower — somewhere between 4.7% and 5.87% depending on which rent assumption is used.

This is the central pricing concern of the audit.

2. Pricing appears materially above comparable completed stock

The £450,000 asking price appears to sit materially above comparable completed two-bedroom stock in the same broad area.

Initial review suggests recent completed transactions have closed closer to £375,000–£395,000, with some higher-floor or better-positioned units reaching slightly above that range.

On current information, the off-plan premium appears to be approximately 15–20% above comparable completed resale value.

That premium may be justified if the scheme offers genuinely superior specification, location, amenity, tenant appeal, management structure or future capital growth potential.

However, that justification should not be assumed from the brochure.

The key question is whether the investor is buying genuine future value or simply paying today for growth that has already been priced into the off-plan sale.

3. Sales steering requires scrutiny

The investor originally enquired about a different completed property.

They were redirected to an off-plan scheme.

Within that scheme, they were moved from an initial one-bedroom interest to a higher-priced two-bedroom unit.

The reasoning offered — stronger capital growth and better long-term tenant demand — may be valid in some contexts. Two-bedroom units can, in certain schemes and locations, offer broader tenant appeal and stronger exit flexibility.

However, in this case the recommendation should be tested rather than accepted.

The recommendation also moved the investor away from the unit type that produces the headline yield in the development's marketing. If the 8.5% yield was attractive enough to draw the investor's initial interest, the steering toward a unit where the yield falls to 5.87% (or lower on realistic rent) is a structural shift in the deal economics that the investor may not have fully registered.

The audit would need to establish whether the two-bedroom unit is genuinely superior for this investor's stated objectives, or whether the recommendation is influenced by availability, sales targets, margin, commission structure or the developer's need to move particular stock.

The issue is not that the sales team recommended a different unit.

The issue is that the recommendation increased the investor's exposure, materially reduced the yield on the deal, and should therefore be independently justified.

4. Completion timing creates real exposure

The proposed acquisition is expected to complete in approximately two years.

That creates several forms of timing risk.

By completion, lending conditions may have changed. Rental demand may have shifted. Valuation evidence may differ from today's assumptions. Service charge estimates may have moved. Comparable sales may or may not support the contract price.

The wider regeneration narrative may also have developed, stalled or been repriced by the market.

This matters because the investor is being asked to commit capital today to an asset that will be valued, financed and rented under future market conditions.

In off-plan acquisitions, the risk is not only whether the building completes.

The risk is whether the completed asset still supports the price, rent and exit assumptions used at the point of sale.

5. Fit is not yet proven

The investor's stated preference is hands-off ownership, long-term capital growth and net income over roughly ten years.

The pitch appears to align with that at surface level: new-build apartment, professional tenant market, management included, future regeneration narrative, projected rental income.

However, the underlying fit is not yet proven.

For a second acquisition, the investor is still in the early stage of building their position. A high-value off-plan flat with uncertain completion, pricing, rental and exit assumptions may introduce more risk concentration than the headline presentation suggests.

The fact that a property appears hands-off operationally does not mean it is hands-off strategically.

A low-maintenance asset can still be a high-risk capital decision.

5. Risk Filter snapshot

The full Risk Filter scoring method is not reproduced in this sample.

The following is an illustrative snapshot of how the proposed acquisition would initially be framed for further review.

Factor	Initial view	Comment
Mortgageability and exit liquidity	Requires investigation	Future lender appetite, valuation support and resale demand are not yet proven
Stock durability	Conditional	New-build quality, service charge assumptions and long-term maintenance profile need testing
Location resilience	Mixed	The area has a growth narrative, but current pricing appears to rely heavily on future improvement
Upside potential	Unproven	The asking price may already price in much of the expected regeneration benefit
True net yield	Weak on current evidence	Yield on proposed unit is 5.87% at advertised rent and lower on realistic market rent

Initial Risk Filter view

The opportunity does not currently pass as a straightforward acquisition.

The most important concern is not one single flaw. It is the accumulation of conditional assumptions:

- Headline yield was calculated against a different product than the one being sold
- Rent on the proposed unit appears above current comparable evidence
- Price appears ahead of current comparable resale evidence
- Future growth is being used to justify today's premium
- The investor was redirected through a sales process
- Completion is far enough away for lending, rental and valuation conditions to change
- The fit with the investor's stage is not yet established

This does not automatically mean reject.

It means the investor should not proceed on the basis of the current pitch material.

6. Industry Decoder observations

The full Industry Decoder analysis is not reproduced in this sample.

However, several surface-level observations would warrant investigation.

1. The enquiry pathway changed the product

The investor did not begin by seeking this specific off-plan scheme.

They enquired about a different completed property and were then introduced to this development.

That matters because the investor may believe they are being advised toward the best fit, when in practice they may have entered a stock-distribution pathway.

The audit would need to establish whether the proposed scheme is genuinely the best available match or simply the available product being distributed through that channel.

2. The unit type recommendation increased capital exposure and reduced yield

The investor's initial interest was in a one-bedroom unit.

The recommendation shifted toward a higher-priced two-bedroom unit.

That shift moved the investor away from the unit type that produces the headline yield in the development's marketing. The deal economics changed materially between the unit the investor was initially drawn to and the unit they were recommended.

This may be justified. But it should be supported by evidence.

The audit would need to test:

- Whether two-bedroom units in this location have historically outperformed one-bedroom units
- Whether the price premium is proportionate
- Whether the rental differential is realistic
- Whether resale liquidity is genuinely stronger
- Whether the target tenant profile supports the sales claim
- Whether the developer or agent has a stronger commercial incentive to sell the two-bedroom unit

3. Incentives may be masking underlying price

The offer includes a furniture pack, paid legal fees and twelve months of free management.

These may provide some genuine value. But they should be assessed in context.

If the asking price is materially above comparable completed stock, incentives may function less as added value and more as a way to reduce purchase friction while preserving the headline price.

A buyer should not treat incentives as independent value until the underlying price has been tested.

4. The advertised yield was for a different product

The 8.5% headline appears in the development's marketing materials but is calculated against the cheapest one-bedroom units in the scheme.

The proposed two-bedroom unit, at £450,000 with advertised rent of £2,200 per calendar month, has a gross yield of 5.87% — and likely closer to 4.7%–4.9% on currently achievable market rent.

This is a common pattern in off-plan marketing. The headline yield is constructed using whichever unit produces the most attractive figure, then applied as a development-wide marketing claim even though no individual buyer can achieve it on the unit they end up purchasing. The headline is technically accurate for one product and structurally misleading for every other unit in the scheme.

A proper review separates the marketed yield from the yield on the specific unit being sold to this investor. The two are rarely the same.

5. The regeneration narrative needs separating from the asset

The pitch appears to rely partly on future regeneration and wider area improvement.

Regeneration can be a valid investment factor.

But it should not be treated as a blanket justification for any price, any rent assumption or any off-plan premium.

The audit would need to separate:

- Confirmed infrastructure from speculative improvement

- Already-priced growth from genuine upside
- Broad city growth from micro-location demand
- Developer narrative from independent evidence
- Long-term potential from near-term financing and valuation risk

7. Questions requiring investigation

Before any commitment, the investor should establish the following.

Pricing and valuation

- What completed comparable sales justify the £450,000 price?
- Are the comparables genuinely similar by location, floor level, specification, size, lease terms and amenity?
- How much of the future growth narrative is already included in today's price?
- What valuation evidence is likely to exist at completion?
- Would a lender's valuer support the contract price today?
- What happens if the valuation at completion comes in below the agreed purchase price?

Yield and rental evidence

- What current comparable rentals support the £2,200 pcm projection on the proposed unit?
- Which units in the scheme does the 8.5% headline figure actually apply to?
- What is the gross yield on the proposed unit at the advertised rent, and at currently achievable market rent?
- Are the rental comparables signed tenancies or advertised asking rents?
- Are they in the same immediate micro-location?
- Are they furnished to the same standard?
- Are incentives, short initial lets or unusual tenant profiles affecting the rental evidence?
- What is the likely net yield after service charge, management, voids, maintenance and financing costs?

Sales process

- Why was the investor redirected from the original completed property to this off-plan scheme?
- Why was the investor moved from a one-bedroom unit to a two-bedroom unit?
- What evidence supports the claim that the two-bedroom unit is stronger for this investor?
- What other units are available in the scheme?
- Is the recommended unit the best fit, or simply one of the units the sales team is currently incentivised to sell?

Developer and scheme

- What is the developer's track record on previous schemes?
- Were previous schemes delivered on time?
- How have previous buyers fared on valuation, rental income and resale?

- How do communal areas, service charges and building management hold up after completion?
- Are there any known issues with previous developments?
- How does the proposed service charge compare with similar completed buildings?

Exit and liquidity

- Who is the likely resale buyer?
- Would this appeal to owner-occupiers, investors, or mainly other investors?
- How liquid is the local resale market for similar two-bedroom flats?
- Are similar units reselling above, below or around original purchase price?
- How dependent is the exit on continued investor appetite?
- Would the asset still be attractive if mortgage rates, service charges or tax treatment became less favourable?

Fit with investor position

- Does this acquisition improve the investor's overall position?
- Does it create too much exposure to one city, one asset type or one risk profile?
- Is the investor being compensated for the uncertainty of buying off-plan?
- Would a completed property, lower-value asset or different structure better serve the investor's stated objectives?
- Is the hands-off preference causing the investor to underweight capital risk?
- Would waiting, renegotiating or reviewing alternative options be a better next step?

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8. Initial recommendation

Recommendation

Proceed only if specific conditions are met after substantially deeper investigation.

Based on the information provided, the appropriate next step is not reservation.

The appropriate next step is investigation.

The opportunity may still be capable of passing review, but the current pitch relies on a headline yield that does not apply to the proposed unit, an advertised rent that may not be supported by current market evidence, a price that appears materially above comparable resale stock, and a sales process that has shifted the investor away from the unit type producing the marketing figures.

Until those points are tested, the investor would be taking on more risk than the headline yield suggests.

Conditions before proceeding

The investor should not proceed unless the following can be evidenced:

- The £450,000 price is supported by genuinely comparable evidence
- The £2,200 pcm rental projection is supported by current market data
- The actual yield on the proposed unit is understood and accepted as the basis for the decision, not the headline figure used in marketing

- The two-bedroom recommendation is justified relative to the investor's original one-bedroom interest
- Lender appetite and valuation risk are understood
- The developer's previous schemes withstand review
- The service charge and management assumptions are credible
- The exit market is sufficiently liquid
- The acquisition fits the investor's wider position and stage of portfolio growth

If those conditions cannot be met, the investor should either reject the opportunity or pause until better evidence is available.

Current decision status

Not a clean proceed. Further investigation required. Reservation or exchange would be premature on the current information.

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9. What a full audit would include

A full Property Decision Audit expands this sample into a written PDF assessment of the property, assumptions, structure and decision.

Depending on the opportunity, it may include:

- Risk Filter assessment
- Fit Overlay
- Industry Decoder analysis
- Comparable pricing review
- Rental evidence review
- Sales process analysis
- Developer and scheme review
- Exit liquidity assessment
- Missing information schedule
- Diligence questions
- Initial recommendation
- Follow-up discussion

The purpose is not to make property investing more complicated for the sake of it.

The purpose is to identify whether the proposed decision deserves capital before the investor becomes emotionally, legally or financially committed.

A Property Decision Audit is designed for situations where the cost of being wrong is materially higher than the audit fee.

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10. Closing note

This sample should not be read as a recommendation on any real development, developer, location or investment opportunity.

It is a worked example designed to show the type of questions that should be asked before capital is committed.

The central issue is not whether off-plan property is automatically good or bad.

The central issue is whether the specific decision is structurally sound, properly evidenced, commercially aligned with the investor, and resilient beyond the sales presentation.

In this sample, the opportunity may still warrant further review.

But on the current information, it has not earned the right to proceed.