



CASE STUDY: Caerleon Road, 5 Bed All En-Suite HMO

About Collective Living

Collective Living offers a new standard in luxury shared accommodation (HMO's), specifically designed for modern professionals. Our properties combine the privacy of personal spaces with beautifully curated communal areas, providing both comfort and a sense of community. With top-tier amenities, high-end finishes, and locations close to key business hubs, we create homes that support productivity, well-being, and social connection. Collective Living redefines shared living, turning HMOs into vibrant, sophisticated environments where professionals can thrive together."

Operating across Wales and the South West, Collective Living addresses the significant gap in high-end HMO accommodation for professionals. We believe these regions deserve quality shared housing that caters to modern lifestyles, combining upscale design with the comfort and convenience that busy professionals need. Our properties bring a new level of sophistication to the market, providing a much-needed solution for those seeking community oriented, luxury living space in these areas.



The Founders



Thomas Stratton
Co Owner – Collective Living

Thomas has 15 years of experience in financial services and currently leads the Public Sector and Real Estate payments division at one of the UK's largest banks and most recognised brands.

Over the past five years, Thomas has also been an active property investor, building a wealth of expertise in property finance, renovation, and management. He is committed to personal development and collaborating with others to forge long-term relationships and deliver sustainable wealth creation solutions.

Driven by a clear ambition, he is focused on creating a blueprint for high-end HMO (house in multiple occupation) luxury living in areas with significant demand for this type of property. By working collaboratively with industry experts, Thomas is embarking on a five-year journey to scale the business and redefine standards in shared living spaces.



Steven Stratton
Co Owner – Collective Living

Steven is a director and joint owner of a Mechanical Services Business, operating on projects nationwide with an annual turnover of £6 million. Our work spans various sectors, including new housing developments, NHS facilities, and a wide range of commercial projects.

With 37 years of experience in the industry, Stevens biggest achievement has been founding SGLS Building Services in 2011 and growing it from a modest £250k turnover to £6 million. This journey has been built on the foundation of hard work, dedication, and a passion for excellence.

Steven believes that building strong, trust-based relationships is a vital driver of success, particularly in a service-oriented industry. By consistently delivering quality and value, Steven has leveraged his extensive experience and reputation to establish a loyal client base that continues to grow year after year.

What Is an HMO and why do investors like them?



- 3+ tenants, 2+ households, shared facilities
- High yield, high management
- Generate high cashflow that can replace earned income
- Significant uplift in property value and ability to recycle cash
- Popular with students and professionals

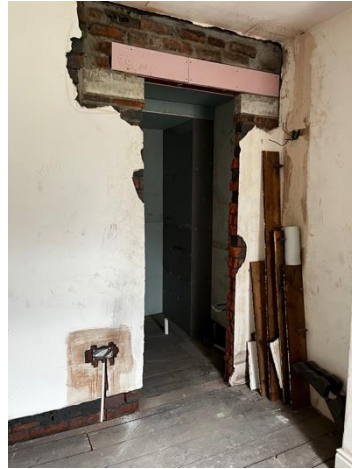


HMO Article 4: Project Delivery Framework

1. Planning/Design due diligence
2. Builder validation
3. Offers (Subject to Planning)
4. Design & compliance (HMO standards)
5. Planning process
6. Refurbishment & contractor management
7. Managing Agent Handover
8. Licensing
9. Financing (pre and post development)
10. Marketing and Lessons Learned

Case Study: 5 Bed HMO

Existing 3 bed terraced converted to 5 Bed all en-suite HMO generating £42,600 p.a. Property is in an article 4 area with full planning permission achieved pre project commencement moving the property from a C3 – C4.



Month 1: Strip-Out & Structural Works

- Achieved C4 Planning Status
- Full strip-out: Removal of all internal finishes, fixtures, fittings, and walls
- Drainage – new drainage dug out and laid for en-suite performance.
- Initial surveys: Structural engineer assessment, damp survey, asbestos check.
- First fix utilities: Electrical rewiring, new plumbing layout including soil stacks and boiler
- Steel installation: RSJs fitted for chimney stack removal and en-suite creation

Month 2: Build Phase

- Stud wall construction to create individual rooms and ensuites.
- Insulation and plaster boarding throughout including red board in areas required
- Door replacement (including fire doors) and new front door.
- Plastering completed across all rooms.
- First fix fire safety: Smoke alarms, fire boarding, and compartmentation
- Mains electrical fuse upgrade, mains gas upgrade and water mains upgrade
- Newport Council pre license inspection

Month 3: Finishing & Compliance

- Second fix electrics and plumbing: Sockets, switches, radiators, and ensuite bathrooms.
- Kitchen installation (communal kitchen/diner).
- Painting, flooring, and final decorative touches.
- Fire alarm system commissioning and emergency lighting.
- Building control inspections and final HMO compliance checks.

Cost Type	Sum of Payment Amount
Broker	£1,684.00
Development	£91,923.96
Furnishings	£9,647.84
Legal	£1,579.00
Planning/Architect	£6,369.82
Purchase	£185,000.00
Utilities	£280.38
Grand Total	£296,485.00

Case Study: 5 Bed HMO

High-Yield, Fully Let, Professional Tenants

Monthly Gross Income: £3,550

Annual Gross Income: £42,600

Forecasted Profit: £21,600 pa

GDV: £325,000

ROI: 28%

Property Type: 5-bedroom, all-en-suite

Tenant Profile: Professionals

Tenancing Timeline: 2 weeks

Investment Model: Hands off/Fully Managed



CLICK HERE TO VIEW OUR YOUTUBE TOUR

<https://www.youtube.com/watch?v=oEEvXOpHfk>

COLLECTIVE LIVING
REDEFINING SHARED SPACES

Call to Action

Don't fear Article 4 — master it!

Get in touch if you want to know more about any of the areas talked about today

