

Issue 140 February 2020

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Welcome to the February edition of Your Property Network!

We're really excited here at the YPN office because our latest webinar-based product is launching later this month! **Total Development** will start on Wednesday, 19th February, following on from the resounding success of Total SA which has been running since last September. To find out more about it, look out for the ad in this magazine or go to yourpropertynetwork.co.uk/totaldev.

Most of us at YPN have been involved in development of some form of another over the years, but these days we're also taking a closer look at the potential for commercial property combined with the opportunities brought about through urban regeneration.

Commercial is often considered as complicated or sometimes just unexciting but there are so many advantages to investing in this property class, not least of which are the tax benefits that you can utilise to make the most of your investments. Take a look at some of the case studies and reader experiences in our lead feature to get a flavour of what you can achieve.

As well as commercial, there is plenty of inspiration on other property matters this month, including refurbishment issues, finance and HMOs as well as a reminder that BTL is still alive and working well in the right areas.

All the very best for your investing, whichever strategy you choose to work with!

Jayne

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Your Trainer: Kevin Wright

Creator of the Ninja Investor Programme

Kevin has been described as 'outrageously positive' partly because of his positive approach to property finance, but more recently as someone who took just two months to beat cancer. He started his career in the property industry in 1983 and began giving financial advice in 1992, initially as a qualified financial advisor.



For more information and to book in, email YPN@recycleyourcash.co.uk or visit:
www.ninjinvestorprogramme.co.uk

HAVE YOU THOUGHT ABOUT COMMERCIAL PROPERTY?

OPPORTUNITIES ARISING FROM COMMERCIAL UNITS AND URBAN REGENERATION



Commercial property literally comes in all shapes and sizes. From high street shops to industrial units, from hairdresser's salons and dental practices to office blocks, garages and health centres with loads more in between.

When people talk about property investment, residential tends to be the first thing that comes to mind. Commercial property is often bypassed as too complicated, too risky or too specialist, or even completely overlooked as it's not always in front of our noses when we're hunting on Rightmove.

Yet there are HUGE advantages to investing in commercial property. Let's consider some of them:

- **It's tax efficient**
- **There's less competition for commercial properties**
- **You don't get badly behaved tenants as often – and if you do, see next point ...**
- **Leases favour landlords rather than tenants**
- **FRI (fully repairing and insuring) leases mean that it really can be a hands-off investment**
- **You can invest directly from your pension fund (you can't do this with residential property)**
- **Commercial agents work in a different way and can be very helpful**
- **Commercial property vendors are usually business owners or investors and can be open to striking creative deals**
- **The sale and purchase transaction is much less emotional than when dealing with homeowners**

Ok, so there are a couple of less favourable points, such as the fact that it can be harder to value because valuations encompass elements (including the strength of the

tenant's covenant) other than just bricks and mortar, or that the face of industry and business is changing. But doesn't that bring its own opportunities?

Let's face it, if commercial property isn't worth investing in, why do so many people on the Rich List have a fair stack of it in their portfolios?

Plenty proclaim nowadays that the high street is dead. In some places that may be true, but what we need to remember is that the nature of the town centre is changing – and that doesn't necessarily mean it's dying. Just think of the number of coffee shops and cafés, both national chains and individual artisan businesses, that have cropped up over the past few years. Or serviced office and co-working spaces. Or town-centre convenience stores. Or micro-pubs and breweries. Or nail bars. Or upmarket lifestyle/gift shops. I'm sure you can think of plenty of others, and we see all this particularly in areas that are regenerating.

Urban regeneration is a huge topic at the moment. We see it not only in town/city centres, but also in the redevelopment of former industrial sites. This is a topic close to the heart of **Dan Taylor**, one of the investors in this feature who describes himself as an urban alchemist. Urban regeneration usually combines a mix of residential and commercial development schemes, and we investors can have a part to play in creating exciting, contemporary places for people to work as well as live.

It pays to think outside the box! **Stuart Scott**, for example, has built up a portfolio of HMO or co-living properties, but over recent months has seen that more and

more tenants need space to work from home. That has led to creating co-living/co-working units which leads into making use of commercial areas within properties. Co-living/co-working is not well established in this country yet but is gaining momentum elsewhere. A trend to look out for in your area?

Mixed-use properties, often the first type of commercial investment we encounter, can present all sorts of interesting opportunities. A retail unit, salon or similar on the ground floor with space above can be re-classed to address a different need in the area, for example, upper floor offices can be re-classed as residential – or even vice versa. Look around for trends in your own area and be inspired by the creative changes that the investors over the following pages have brought about in their commercial and mixed-use properties.

The message of this feature is not to be put off by commercial property, but to be inspired and motivated about the opportunities that abound within this sector. Yes, there might be something new to learn, but that's true of every property strategy. As most long-term investors have one or more commercials as well as residential property within their portfolio, it has to be worth a closer look!

Jayne



THE BEAUTY OF TAX-FREE COMMERCIAL INVESTMENTS

PAUL SMITH EXPLAINS HOW COMMERCIAL PROPERTY BRINGS LARGE PROFITS, LESS STRESS AND HUGE TAX SAVINGS.



Interview: **Michelle Cairns** Words: **Heidi Moment**

It's no secret that the 'death of the high street' is bringing plenty of opportunities for investors to make some serious profits. The best bit is that the government are offering tax-free incentives for commercial investments, so, if you're not already looking at commercial you might want to start after reading this.

As the popularity of high street shopping goes down, other industries go up. People haven't stopped buying stuff. They're just buying it in a different way. Home delivery companies are on the increase and demand for warehouses is high. Takeaways and cafés continue to be in demand as people continue to eat on the go. In addition to retail outlets (shops), commercial also includes factories, warehouses, offices and doctors' and dentists' surgeries. There are such a large variety of possible tenants that the opportunities are endless.

When it comes to investments, investors are typically either residential or commercial – there are very few hybrid investors who understand both. This often means upper floors remain empty because the commercial investors don't want to deal with the stress that comes with buy-to-let tenants. Investors often don't want to touch both, so there are some "insane bargains" around, especially if you're prepared to do mixed use (commercial downstairs and residential upstairs).

After investing in commercial property for over 20 years, Paul is keen for others in the industry to be aware of the opportunities so they can achieve their investment goals, like he did. After buying his first commercial property 20 years ago and then compounding his wealth with more commercial deals over the years, Paul takes great pleasure in helping people to see great returns, by making the most of commercial property with minimal stress.

"Huge opportunities for investors to do mixed use"

CASE STUDY KEBAB SHOP, MACCLESFIELD

One of Paul's mentees, Juan Nogales, recently bought a property that consists of two commercial units on the ground floor (a kebab shop and two small offices) and two vacant units on the upper floors.



By looking at the commercial elements alone, this is already a great investment, especially if you compare it to a standard buy-to-let.

Standard buy-to-let	
Purchase price	£200,000
Mortgage	£6,000
Rent to a family	£800 per month £7,200 annually
Maintenance / voids	15% of income
Annual profit	£1,400

Commercial – kebab shop	
Purchase price	£200,000
Mortgage	£6,000
Lease to a company	£1,600 per month
Maintenance / voids	£0
Annual profit	£19,200

For an investment of £200,000, he's got a kebab shop plus some offices that give him £1,600 per month income, which is almost £20,000 per year.

"Massive profits"

As an HMO specialist Juan will more than likely convert the upper floors into eight HMO rooms but he's also considering two two-bed serviced accommodation flats. Either way, when the two top floors are complete he will be looking at closer to a monthly rental income of £4,000, or £48,000 per annum. An absolute no brainer when you compare it to a single let.

GET THE UPSTAIRS FOR FREE

The investor's dream is to pull all of their money out of a deal and with commercial investment this is often a reality, perhaps more so than with some other strategies. Using Juan's example, he will be able to put a £200,000 mortgage on the building based on just the downstairs kebab shop and two offices, so essentially he'll get the upstairs two floors for free.

REDUCE YOUR TAX BILL

Structuring the deal in the right way can make all the difference to your profits too. Buying the property through an LLP (Limited Liability Partnership) instead of in your own name means you can take increased advantage of capital allowances and therefore pay less tax.

In previous years the Annual Investment Allowance was £200,000, but for the next two tax years (2019-20 and 2020-21) the government have increased this to £1m. By applying specialised knowledge this can apply to all commercial properties and is just brilliant for anyone investing in commercial property right now.

If your property is mixed use, as Paul's often are, the capital allowances only apply to the commercial element of the building, but this is still a huge tax saving at the end of the year.

Once you know how it's easy to claim the capital allowances too. You just get a capital allowances surveyor to go to the property and write a report to confirm the value of the capital allowances. Your accountant then contacts the HMRC to claim it back, so you either don't pay tax on the money you earn, or potentially you can even reclaim income tax already paid for the last two years. As a member of an LLP you can distribute the tax savings however you choose, so one or all of you will get a reduced tax bill in that period. Happy days.

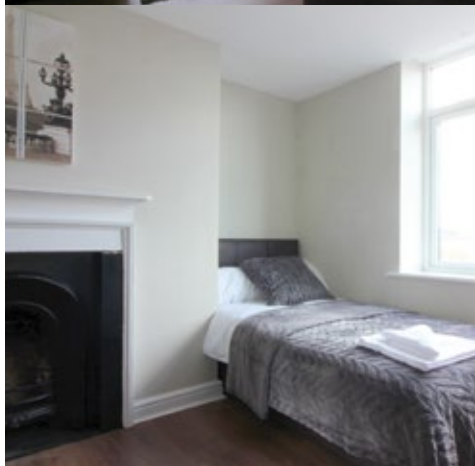
In the Springfield House case study, the capital allowance was £220,000. Who wouldn't want those tax savings?

CASE STUDY

SPRINGFIELD HOUSE, DONCASTER



• Vacant/distressed 4-storey office block	• RICS valuation	£700,000	
• Upper 3 floors to 5 serviced accommodation units	• Commercial mortgage @ 65%	£455,000	
• Ground floor retained as offices	• Extra cash out after all costs	£40,000	
• Used JV investor funds to purchase and develop	Profit from the 5 SA units plus rent from the offices in one example month:		
• Commercial finance with Lloyds	• August 2017 combined income	£9,701	
• Purchase price	£275,000	• Capital allowances	£220,000
• Conversion cost	£140,000		
• Total spend	£415,000		



AGREEING THE LEASE

As with all strategies you need to know your local market to understand the demand and tenant type. Paul explains that he likes to buy commercial properties with a tenant already in place. However, if an empty property comes up he sometimes buys with delayed completion and does everything he can to ensure a lease is agreed before the sale completes. This way he is making profit from the word go.

Lease length and details depend on the sector and you can typically be looking at anything from one to 25+ years. Industrial sector companies, such as manufacturing or warehousing need much longer leases and it's not unusual for a factory to have a 35-year lease. Fancy having the same high paying tenant for 35 years? Yes please. Talk about no voids!

Paul recommends to always use an FRI lease. This stands for full repairing and insuring lease and means your tenant is responsible for all repairs to the unit. If anything goes wrong with the property, it's not your problem because the tenants will pay for it. *"The building could fall down and as long as no-one gets hurt it wouldn't matter to you, as you're not even paying for the insurance. The tenant is."*

HIGH PRICE TAG, LOW OUTLAY

Buying expensive properties doesn't have to be daunting, you just need to know how to do it, as Paul explained with a deal in Doncaster that he's recently exchanged on.

The building is going to be the new offices for Paul's company, Touchstone Education. Usually he wouldn't refurbish the building, as that would be the tenant's job, however as one of his companies is the tenant it makes sense for him to carry out the works to get the unit ready to move his business into.

A purchase price of £810,000 was agreed with a delayed completion and a payment of £50,000 on exchange of contracts. So with the £200,000 to refurbish the building, Paul only needs £250,000 to get into the deal.



MULTIPLE EXITS

Multiple exits are important. As a serviced accommodation (SA) operator Paul always weighs up if the property would work as SA, to minimise the risk.

You can often convert commercial units to C3 (residential) under permitted development, which can come in handy if one of your plans doesn't quite work out.

There are many potential exits – the important point is you always have at least two!

"Always have at least two exits"



The value of commercial property is typically driven by the occupant, so when the property is empty you can pick it up really cheap. The bonus is, the value increases significantly as soon as it gets a tenant.

On completion day the revaluation based on the tenant yield is expected to be in excess of £1.4m. At that point Paul will get a mortgage on the property for £1.1m against the new valuation. The entire project will cost him £1.1m, so effectively he is buying this huge 10,000 square foot office and recycling all of his cash!

"Empty property is cheap, the value increases when the tenant is secured"

BUY TAX-FREE COMMERCIAL INVESTMENTS USING SIPP & SSAS

When it comes to thinking about retirement it's necessary to think smart and plan well, and this is something Paul knows only too well. After more than 20 years in the corporate world, Paul had amassed several decent-sized pension pots. When his employer, Allied, closed their final salary pension scheme and instead offered to give their senior employees an additional 20% salary instead, Paul jumped at the chance, as did many of his colleagues.

While many of them spent their money on holidays and enjoying life, as a savvy investor Paul knew he could make this money work hard for him, so he set up a self-invested personal pension (SIPP), transferring the money from Allied, along with some money from previous pension schemes.

By adding all his pensions together Paul had a good investment pot. Used as a standard pension to draw on when he retired, this pot would have given him £8,000 a year from the age of 60, which wasn't great. So instead he asked for something called a transfer value, which allowed him to move £396,000 in one go to his own private pension – a SIPP.

The first commercial unit Paul bought 20 years ago was a shop with offices above, in Helensburgh. This investment alone now gives him £25,000 per year and the investment pot continues to grow – a huge improvement on the £8,000 the pension would have given him.

"Most pensions die with you, but investments are for keeps"

Nowadays, Paul buys commercial property using a mixture of finance options, including private finance, his own funds or his private pensions.

SIPP & SSAS EXPLAINED

SIPP

A SIPP is an independent legal entity that you control. A SIPP can be set up within weeks, so you could buy your first commercial property within a couple of months. The SIPP owns the property and the rental income earned is then paid directly into your SIPP, and as long as it stays there, it's tax free.

“Buying with a private pension is tax free”

SSAS

A SSAS (small self-administered scheme) pension is attached to a limited company. However, you will need specialist help from a pension company to set this up, so please

ensure you seek full advice from a certified provider. With a SSAS you can do far more complex deals, eg your SSAS can make loans and as a SSAS is a trust it is not subject to inheritance tax, which can be a huge consideration for some investors.

The downside is a SSAS can be quite complicated to set up, it often takes longer to get the money in place and there are hefty penalties if you do anything outside of the law, which is why you must have the correct education, guidance and support.

	SIPP	SSAS
What is it?	Self-invested personal pension	Small self-administered scheme
What can you do with it?	Use it to invest in whatever commercial property you like and other asset classes such as shares.	Same as a SIPP plus much more, for example lend money from your SSAS to a company you own, and then invest it in residential property.
Pros:	You can set it up within a few weeks.	It sits outside your estate for inheritance tax purposes.
Cons:		More complex

CASE STUDY SHELTER CHARITY SHOP, HELENSBURGH

Helensburgh is a busy market town, where retail continues to thrive. With three butchers, two greengrocers and a fishmonger amongst others, not a single retail unit is empty.

Using their SIPPs (they had one each), Paul and his wife Aniko bought a shop in this thriving market town, with a stock room above it. They got a great deal on the purchase by using a RICS commercial surveyor to negotiate on their behalf, getting the property for £288,000 (asking price was £375,000). Paul stresses the need to work with professionals such as commercial surveyors when you're doing deals like this. They are absolutely worth their weight in gold, as they will not only negotiate the purchase, they'll also help negotiate the lease, which is crucial to the ongoing profitability of the unit. For the 1% of purchase price they charged Paul and Aniko it was a no-brainer.

“RICS commercial surveyor negotiates the deals”

They split the titles and then purchased both units using a mixture of both their SIPPs. They then rented the ground floor shop to Shelter Charity and converted the upstairs to offices, which they then let to one of their companies. Check out the specifics:



- Asking price **£375,000**
- “Transfer Value” from previous pension schemes **£396,000**
- Split title for shop and stock room
- Paul's SIPP purchased shop for **£249,000**
- Paul's SIPP purchased 50% of the stock room and his wife, Aniko's SIPP bought the other 50% for **£39,000**
- New ten-year FRI lease to Shelter at **£25,000 pa**, upward only rent reviews
- Convert offices for **£15,000**
- Let offices to one of their companies, **£6,000 rental income** goes straight into SIPPs, so TAX FREE
- Combined income **£31,000 pa** for their SIPPs immediately instead of **£8,000** projected on retirement using a traditional pension scheme
- Paul's SIPP still had well over **£100,000** in cash to get the next commercial property and the Shelter shop alone keeps adding **£25,000 per annum** tax free to Paul's investment pot.

FANCY YOUR OWN PRIVATE PENSION INVESTMENT?

Getting your own private pension can be straightforward. Consider transferring money held in existing pension schemes to a SIPP or a SSAS or set up a private pension from scratch

(current rules allow up to £40,000 per person per year to be paid into our pensions tax free).

Either way once you have your pension established choose your commercial property and enjoy the profits for generations to come.

Just be careful to get the right advice along the way and don't take unnecessary risks.

CONTACT

To get in touch with Paul or find out more about commercial investing, go to www.touchstoneeducation.co.uk

The audio recording for this article is available via the YPN App



BIG BRAND TENANTS INCREASE CAPITAL VALUE

The tenant, lease, location and rental income all affect commercial valuations. The FRI Guys tell us how getting the right mix can increase the value of a property overnight.

Interview: **Jayne Owen** / Words: **Heidi Moment**

One common misconception with the commercial sector is that it requires deeper pockets. It doesn't. For the same price as a cheap buy-to-let, a commercial property can give you significantly more income without any of the headaches you might be used to with residential.



"We provide the building, the tenant takes care of the rest"

There are opportunities to invest in commercial buildings in every corner of the market, so our search covers a wide area. We generally look in a variety of places, including town centre and retail parades, although these tend to be a bit overpriced, so we prefer to look for slightly out-of-town, office blocks, commercial buildings, warehouses or 'nice industrial sheds', as we call them.

Our aim is to find a building we can let very easily. Industrial estates are home to a wide variety of businesses from plumber's merchants to veterinary practices and solicitors. The range of tenants you can have is huge.

To find the right properties we use several different strategies. Unfortunately, it can be hard to find the right deals through online search engines alone. So we source our properties by using direct mail - to landlords and agents. We have built solid relationships with commercial agents and have found this to be key to the sourcing process. Some agents have a book of clients looking for properties, as well as properties they want to match up with someone.

OPEN PLAYING FIELD

The benefit of commercial property means once the lease is agreed and the tenant is in, the property should only need minimal management, enabling us to look further afield, so although we're based in the North West, we actually buy properties all over the country.

We're often the only interested party involved in a deal and can sometimes find that weeks later our offer is still the only offer on the table. Whereas in residential, there is a lot of competition and you can get gazumped in an afternoon. Being the only interested party puts us in an advantageous position and can really help with negotiations.

Big brand tenants make a huge difference to the capital value



FINDING TENANTS

In many ways, the tenant is almost as important as the property itself. A vacant property will cost the landlord business rates, it may be subject to vandalism or be a nightmare to re-let. So a huge amount of due diligence needs to be done on the tenant, their business and their future plans to make sure they are the right fit for the property and the location.

A big national brand can make a huge difference to the capital value of a property, as the covenant strength (financial strength) of a blue chip company is greater. With the blue chip tenant in situ, the property is valued on an investment basis, which can sometimes almost double what they were bought for. A good example of this is a property purchased in Wigan in November 2017 for £110,000. After a 15-year lease was signed with Papa John's, the property was sold seven months later for £225,000, generating a whopping £115,000 profit. 100% uplift thanks to the right tenant and a well-written lease.

When looking for a tenant we do a lot of research and it's important to have good commercial awareness, so we can understand their position in the market and what the future of their business might be. This is where part of the risk lies, but looking at the financials, meeting the directors and gaining an understanding of where their business will be in a number of years will help you to know whether they will be a good prospective tenant.

Valuers are looking at quality of tenant, lease length, location and rental income

Big brand companies who are looking to grow their businesses are very easy to get in touch with and will be happy to discuss their plans with you. All you have to do is google the company name, eg "Pizza Hut" and then "property requirements".

UNDERSTAND YOUR LEASE

An FRI lease (or Triple Net Lease as it's called in America) is a very different document to a residential AST. This contract between two parties stipulates what can and cannot be done for the duration of the lease.

Many eventualities need to be considered to create a 'water-tight' investment for the landlord, often resulting in a document of more than 40 pages. There is never one size fits all so you have to think carefully about what you want to include.

The beauty of it is that all onerous management, maintenance and repairs are at the tenant's expense – provided you have included that in the lease!

Remember, if your tenant is in the property for 20 years you will want them to look after the building and to regularly decorate and maintain to a good standard, so this needs to be in the lease too.

It will come up with exactly what they are looking for in different areas around the country, then just drop them an email and take it from there.

It's very easy to speak to the big chains, which is great, but this can also come with problems. They're often inundated with property people asking them questions, so be prepared to have to work quite hard and pitch yourself competitively against other investors.

Smaller tenants can be easier to come by but their covenant strength will be lower and they may only want to sign a lease for one to three years.

We always try to aim for a tenant somewhere in the middle. This way we have a stronger covenant and the chance of getting a longer lease is higher.

NEGOTIATING THE LEASE

Once you've found your tenant you have to negotiate the lease. Commercial leases are commonly on a full repairing and insuring (FRI) basis, which means all management, maintenance and repairing duties are the tenant's responsibility. The length of a commercial lease can range from one to 25+ years and this will depend on the type of tenant you get and what their plans are.

Learning the Lingo

One element that can be baffling when looking at a commercial lease is the language used. Here's a quick checklist of terms you'll need to know:

Rent Bond – A rent deposit held by the landlord. It doesn't need to be held in a deposit scheme.

Covenant strength – The financial strength of the tenant. A high street chain will be a stronger 'covenant' than an independent small business.

Business rates – Tax on commercial properties payable by the landlord (when vacant) and the occupier (when occupied).

Break Clause – A pre-determined date at which a tenant, or landlord, can choose to exit the lease.

FRI – 'Full repairing and insuring' lease, meaning the tenant is responsible for maintaining and insuring the whole building.

IRI – 'Internal repairing and insuring' lease, meaning the tenant will have a narrower liability for maintenance, decoration, repairs and insurance confined to the internal parts of the property.

Rent review – A pre-determined date when the rent payable is reviewed and either increased or decreased. This can be a set percentage or linked to market rent, the Retail Price Index or Consumer Price Index.

The lease is of paramount importance when it comes to the valuation, so you need to be mindful of that when setting it up. The **quality of the tenant, length of the lease, location** and **rental income** all have a huge impact on the capital value of the property, eg a property rented to Boots on a 15-year lease will have a significantly higher value than the same property leased to an independent pizza shop on a three-year lease.

Negotiating the lease can be tough and there can be a lot of back and forth, so having a solicitor who specialises in leases on your team is essential to ensure the lease is fair for everyone and to add strength for you, the landlord.

Dealing with businesses rather than individuals is much more straightforward than dealing with residential buyers. It's less emotive and there's much less risk of the buyer pulling out at the eleventh hour, which can be common with residential. It's a business transaction at the end of the day and once it's been agreed in the boardroom it's usually a done deal. Discussions with a big brand nationwide tenant can be a challenge though, as their in-house legal team may try to make the deal as much in their favour as possible.

The type of tenant you look for is up to you. With a smaller business the negotiations tend to be easier and the lease usually sides in the landlord's favour. You can also get additional security by way of a personal/director's guarantee or debentures. With a bigger brand the negotiations are harder and you may struggle to get your favoured terms, however you do get a massive capital uplift simply by having their name above the door. You can decide which one appeals to you the most.



FUNDING

We purchase our properties for cash, as this gives us the ability to move quickly. We use a mixture of our own funds as well as private investors' loans, where we offer an 8-10% return per annum. On some deals we also work with JV partners on an equity basis and split the profits.

When it comes to refinancing, the panel of lenders is smaller and a bit more specialist than with residential. But it's not just a box-ticking exercise like residential can sometimes be. Instead the lender looks at each property on its own merits, looking at you as a landlord, the property itself, the tenant and details of the lease.

Lenders place greater emphasis on the deal itself, as opposed to the landlord. A deal with a 20-year lease will attract greater, or more favourable terms than a deal with a three-year lease with a one-year tenant break, which has the potential to become vacant after one year.

STEPS TO SUCCESS:

- Find a great property
- Secure a quality long-term tenant on a strong lease
- The strong lease enables you to increase the capital value of the property, giving you a higher valuation to borrow against, and allowing you to recycle your money
- Reinvest your money back into your portfolio
- Enjoy the ongoing hassle-free rental income.

CASE STUDY

PRIME INDUSTRIAL ESTATE, BASINGSTOKE



Property: A 2,000 square foot, purpose-built office, 200 miles away from where we are based. We went directly to the vendor and quickly purchased the building for £281,000.

Tenant: A well-established engineering company that supply goods to high-end industrial, engineering, automotive and aerospace companies.

Lease: We negotiated a 20-year FRI lease with no break clauses.

Terms agreed:

- 20-year lease
- Upward only rent reviews every five years (meaning the rent will only **ever** increase)
- Guarantor (so if the tenant company cannot pay, the lease payments are guaranteed)
- Painting and decorating clauses (to maintain its condition we specified that the building must be painted every three years)
- Service charge payable by the tenant
- Rent payable quarterly in advance
- Six months rent bond

Numbers:

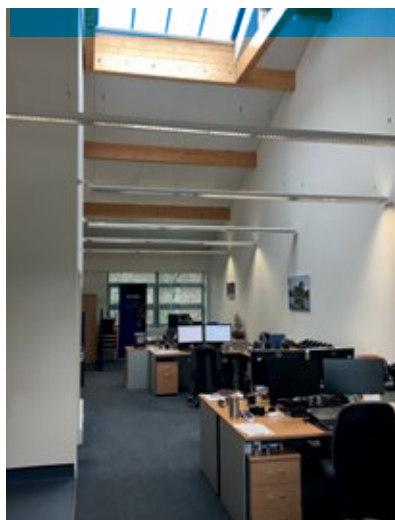
- | | | | |
|------------------------------|-------------------|--------------------|-----------------|
| • Purchase price: | £281,000 | • RICs valuation | £305,000 |
| • Lease payments (annual): | £29,600 pa | • Yield | 10.53% |
| • Four quarterly payments of | £7,400 | • Revaluation 7.4% | £400,000 |

Revaluation:

Unlike residential where investors aim to increase the yield and therefore the income, it's common with commercial to want to decrease the yield. In commercial, the capital value is a fluid figure. If the building is vacant and not generating income, the value will be much less than if it had a blue chip tenant on a 25-year lease.

Our strategy is to buy buildings for the highest possible yield, then let it on a strong lease to a great business and then compress the yield, which allows us to refinance against the higher valuation.

On this one, the yield on purchase was 10.5%. Through the addition of a well-written lease this was reduced to 7.4% and we were able to pull out all of our money.



Decrease yield =
higher capital
revaluation

CASE STUDY

HARDWARE STORE, SCOTLAND



Property: A 2,500 sq ft retail unit currently being used as a hardware store, in South West Scotland. The area is seeing heavy investment with a Co-op being developed across the road.

Lease: There was already a lease in place, with a rolling one-month break clause. Because of the break clause the tenant didn't have the confidence to invest in his business for fear he may be forced to vacate quickly.

We agreed a new 20-year FRI lease with one-month rent bond and personal guarantees from both directors.

Numbers:

- | | |
|---|-------------------|
| Purchase price: | £75,550 |
| Lease payments: | £10,400 pa |
| Upward only rent reviews every five years, index linked | |
| RICs valuation: | £86,500 |
| Yield: | 13.77% |

Timescales: Completed within eight weeks.

Happy tenant: The hardware store manager is now much happier and feels confident to invest more in his business, and he has subsequently purchased a new paint-mixing machine and invested in offering other services.

We are currently refinancing this property to release the majority of our funds to purchase similar deals.



CONTACT

If you'd like more information about The FRI Guys and how we work, we'd love to hear from you.

- | | |
|---------------------|-----------------------------|
| Email: | thefriguys@gmail.com |
| Facebook/Instagram: | @Thefriguys |
| Website: | thefriguys.carrrd.co |

URBAN TRENDS

**WHY STUART
SCOTT'S CO-LIVING
MODEL IS
EVOLVING
TO INCLUDE CO-
WORKING AND
COMMERCIAL
WORKSPACE**



Interview & words: **Raj Beri**

Hot on the heels of winning the Property Developer of the Year award in 2019 at the National LIS awards, we got a chance to speak to Stuart about his ongoing property journey in the world of HMOs and co-living. Stuart has appeared in YPN before so readers should look back at issues 114 and 124 to find out more.

In this article, he further elaborates on diversification in terms of both strategy and geographical location and provides some absolutely stunning photographs of his latest developments.

YPN: Could you tell the readers something about what you did before property?

Stuart: I spent most of my life working for marketing and creative agencies and then started my own marketing and product design company. The former was incubating lots of tech start-ups and one of them made

an attractive offer to buy us and I accepted. I was co-director of the second company but an opportunity arose for me to exit and follow my passion in property so that's what I did, whilst retaining my shares. It's definitely been a case of opportunities presenting themselves and me taking a calculated risk and taking the plunge. Whilst I was running my companies, I'd also been doing property flips on the side, so had acquired a lot of experience in adding value and the wow factor to develop properties for profit.

When I moved full time into property, it was all about cashflow so that's how I ended up in the world of HMOs. I operate in the South East focusing on Brighton and Hove, Eastbourne and Worthing and my efforts have concentrated on developing houses and buildings using prior approval, permitted development and mixed use to create a hybrid of co-living, single lets and commercial.

YPN: What led to your interest in property?

Stuart: Some of my previous company roles included creative director, art director and head of user experience – I therefore developed the ability to create the best-in-market products. The most important thing in property is actually product design and innovation so even if the market changes, I will continue to adapt and evolve.

We started with flips and kept the process simple, but always looking to add real value eg by increasing the number of bedrooms.

These projects were done alongside the day job; my wife and myself were often hands on but we learned a lot about refurbishments and adding value. Our focus from the outset was maximising GDV, so we developed a keen eye for creating space and this has been really useful when we started developing HMOs.

YPN: How did you decide that the high-end HMOs/co-living model would be the approach you took?

Stuart: At that time, I did a lot of research and realised that there was a gap in the pre-existing vanilla HMO market. As a strategy, I appreciated that HMOs could be high cash flowing and I firmly believed that I could bring something different to the market. That's when I decided to develop a more industrial design-led product, but little did I appreciate back then that it was going to have such an impact and contribute to the evolution of the co-living trend now popular.

For the product we are creating, the refurbishment costs are pretty high and not helped by our South East location. I believe that such costs are justified as long as the GDV (end value) enables the recycling of funds, and the desired ROI to be achieved. Not surprisingly, every project is led by the metrics – I look at the numbers and work back from there. In certain areas of the South East, we are able to achieve higher GDVs and higher rental returns but I am very conservative with both the end values and rental values, probably overly so. In the last project, the property manager was able to sell the rooms for £50/month more than we usually do, so perhaps we haven't reached the ceiling yet. At the end of the day, we want the customers to appreciate the premium product we're providing and to stay long term as part of the community we are creating.



YPN: How and why did you decide to stay geographically tight in terms of investment areas?

Stuart: The South East is a notoriously difficult market for most investors. Initially, I also thought the same way and planned to invest further north but, in the end, I have invested in an area I grew up in and one that I am passionate about. I want to make a difference locally and working my own patch has advantages, one of which is getting the inside track on potential deals. My perseverance is paying off and I firmly believe that investors have to believe that there is a way to make it work and they have to use every possible development technique at their disposal. I've probably maxed out on every nuance of development techniques to make a deal work, be that permitted development, planning gain, optimal use of space or other means to add value.

Of course, there are challenges with staying local – one project in central Brighton took almost two years to get planning. Increasing legislation with HMOs will make things harder going forward (for all investors) and the planning process in Brighton is notoriously slow, but if you are able to finance the investment, things can still work – I am fortunate in that I have multiple projects on the go at any one time.

YPN: Tell us more about your area of operation and your investment model.

Stuart: My area stretches to Eastbourne, an area with lots of regeneration especially in the city centre. I have mixed use investments in Eastbourne and I also have investments in Worthing and Brighton and Hove, my home city. Brighton is a hot market and becoming very expensive and this is spilling out into neighbouring Hove. Brighton city centre has lots of regeneration with an extensive number of student blocks, so investors focusing on student HMOs are feeling the pressure. From the outset, I have focused on location regardless of strategy and have never deviated from that. I could easily hold the properties I am developing as co-living spaces for the long term, turn them back into family homes and they would sell quickly due to their location.

"My main focus will be continuing to grow the community via high-end co-living spaces and I'm not too worried about the expansion of Article 4."

In order to diversify, I am also starting to look at larger projects and I will also continue to work in the Eastbourne area where the council is supporting increased investment.

YPN: More recently you have diversified – what was the thinking behind that?

Stuart: I will continue to develop my model in a wider area than just Brighton because operationally, I have that reach and my teams can cover nearby cities. In addition, we have also started to develop smart boutique hotels purely for diversification – I am mainly known for creating co-living spaces but once you have the ability to execute property development *per se*, you can apply that to any strategy. Co-director of the hotels, Carly Houston, and I decided that we wanted more assets in central Brighton as we could see that there was an opportunity to apply the same product innovation skills across to the SA sector.

Mindful of increasing regulations, we decided to focus on hotels to develop as SA and we've been hoteliers now for about 18 months, with a second hotel also nearing completion. The SA business is seasonal with monthly variations and it took us a while to fully understand this market and the nuances of hotels versus standard SA. During that time, we've developed an in-house operations team, a 24/7 call centre system and revenue management systems following advice from a revenue manager, who normally advises top hotels. We now use digital software for revenue management, so our rates are constantly changing to maximise occupancy targets. It's clear that none of our immediate competitors are as dynamic as us in this sector. SA agencies can deliver on the

CASE STUDY 1

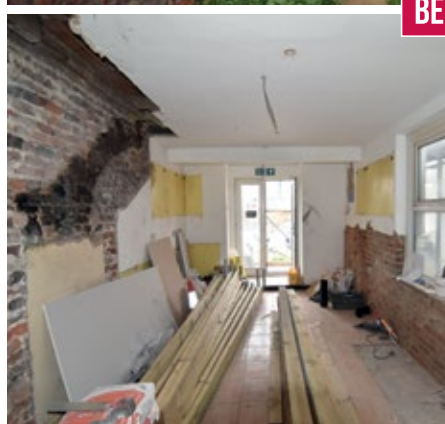
Central Hove, East Sussex

Brief description: Run down 3-bed house converted into a 6-bed high-end co-living. This was a complete refurbishment to include a PD loft extension, 6 en-suites, social space and dedicated co-working room. This project prototyped a new 'live/work' concept where luxury co-living is blended with dedicated co-working hubs to cater for professional tenants who work from home a few days per week and live a digital laptop lifestyle.

Purchase price:	£430,000
Deposit:	£107,500
Buying costs (Ltd company):	£35,200 (stamp, legals, surveys, fees, insurance, investor interest for refurb period)
Planning costs:	£1,200
Renovation:	£125,000
Furnishing:	£13,500
Cash in:	£282,400
End valuation:	£700,000
85% LTV release:	£284,446
Cash left in:	No money left in
Gross rent pm:	£4,638
Net rent pm:	£1,855
ROI:	Infinite



BEFORE



bookings side of the business but often fall short in trying to maximise occupancy because they just don't have dynamic pricing and the level of service required. We have set up in-house operation teams because we want to control the customer experience end-to-end and deliver a great service.

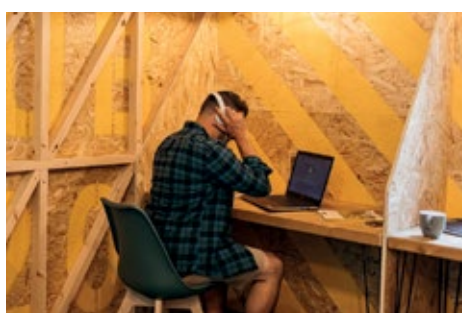
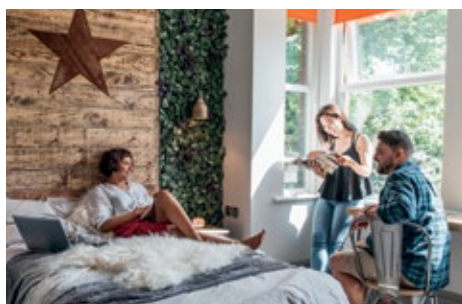
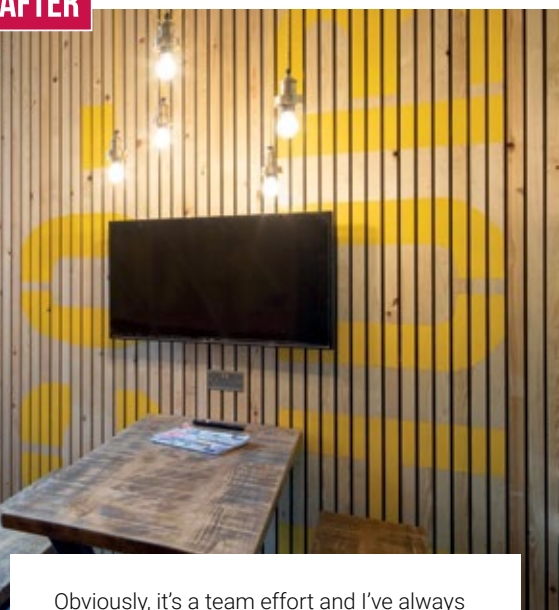
YPN: Could you highlight your process of securing and then developing projects?

Stuart: I still pick up projects via Rightmove, but in Brighton and Hove I tend to get deals via the relationships I have nurtured, so I often find out about a potential deal before it is advertised. Being local means that I can be on site within 15 minutes for initial assessment and could have the deal sewn up 30 minutes later! Because the Brighton market moves very quickly, I often have to make decisions quickly. In addition to working with agents, I also network and knock on doors – when you're in a tough market you have to go to extremes to secure deals. I personally still enjoy deal acquisition and building relationships and there's a lot to be said for the boss turning up to a viewing!

A skill that I've gained is the ability to quickly assess how I could convert a building to add value. Part of that is having an understanding of what aspects require planning and what can be done under PD. Because I am closer to the build element, I can think more like a builder in terms of the structure of the building, the extensions possible and envisage ways to maximise the number of rooms. Once in the building, all I need is my trusty laser meter and I can verify the key dimensions required for the initial assessment.



AFTER



Obviously, it's a team effort and I've always worked closely with architects and they get into the building shortly after I have assessed it. They draw up a basic plan to send to me and at this stage I'll make some comments on what I want to create after which the architect will make the detailed plans. I then move their vector artwork into a programme called Illustrator where I can do further work on a one:one scale and redesign the building. So, the plans and designs will go back and forth as I'm quite heavily involved in the architectural element. The key thing to remember is that the architectural stage is a fantastic opportunity to create great design; interior design is important but is only a small part of the overall process.

We have also worked regularly with a number of builders, although I now prefer to deploy my own finishing team. In the early days, my tenders used to freak out the builders due to the detailed specifications and the sketches I provided. Many would simply refuse to quote due to the complexity on the finishing. These days, we keep the builders' remit much simpler.

The 2D floor plans cannot communicate the images one sees in the case studies ie sketches and 3D images are required to fully visualise the final product.

Pretty much everything we do requires working with the council so over the years, I have built a good relationship with the HMO teams. This has extended to the planning teams so when I submit a planning application, I will deliberately provide information about our mission and our values in what we're trying to achieve. I have also successfully managed to get some of our work featured in the planner's magazines in my effort to educate them and say ...

"Look, change is happening and not all HMOs are bad. Quality shared living has a really important part to play in the future of cities."

In addition to co-living, I also have a number of mixed-use projects, which are often easier to secure as fewer people understand the nuances of the due diligence process or

how to maximise the space in commercial buildings. Single lets may not be as sexy as co-living, but they are about as passive as you can get and they can still work as part of a wider mixed use development.

YPN: Tell us more about the case studies?

Stuart: Lots of research, including our own, supports the notion that when people first move into an area, they want to be part of a shared living community to help create a social circle and it's also a cost-effective option. We're creating products that allow people to develop their social circle before, perhaps, opting to rent or buy an apartment.

The first case study is in a very central location in Hove. It's on a very busy road and it was a very run-down property when I got the lead through an agent. I turned it down because I had just agreed on two other projects. Later, I felt really gutted about my decision so ended up calling the agent every week to ask if it had wobbled. I was literally finishing one of the original projects when I came to learn that the original buyer could not exchange so managed to secure it very quickly.

Under PD, we created a double dormer in the loft to maximise space. We also created a very large area of social space and also landscaped the gardens. I could have squeezed a seventh bedroom under sui generis planning, but I managed to recycle all my money as a six-bed HMO. In addition, previous feedback from tenants suggested a co-working room would be desirable as some tenants work from home. As an experiment, we created a dedicated co-working space in the house to specifically appeal to self-employed people or professionals who work one-two days from home. As part of creating this unique product we also installed state-of-art broadband with access points across the building to achieve a fast, 100% signal.

The completed project had a waiting list, even though we advertised it at some of the highest rents in the market place. Over the years, we've created waiting lists by compiling a database of prospective tenants who we contact once a new project is available. For this case study, we marketed it on Spareroom even though all the rooms had already gone. Respondents were added to a "priority waiting list" and we'll contact these people when new projects come online.

CASE STUDY 2

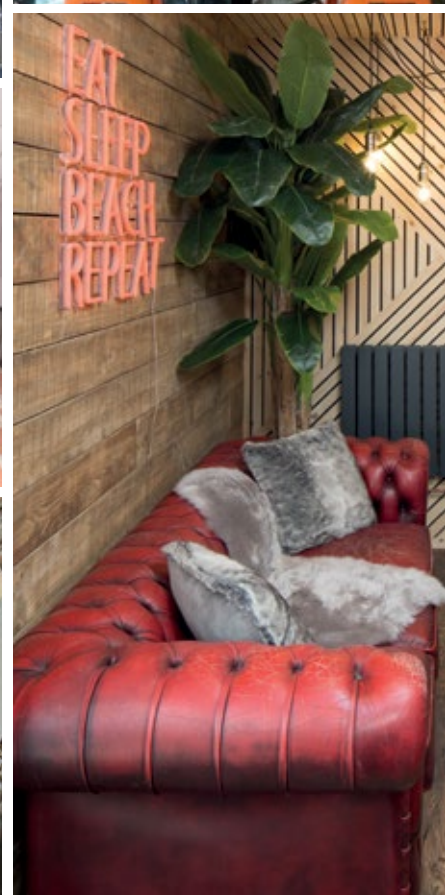
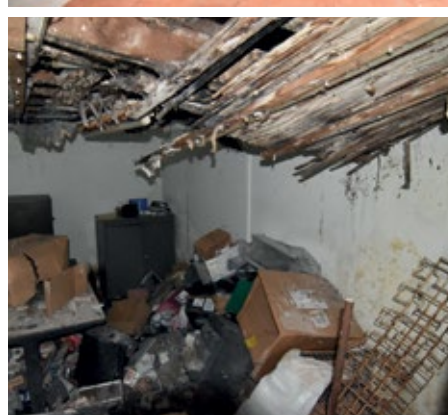
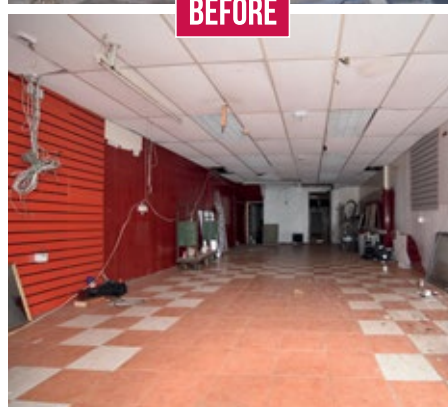
Central Eastbourne, East Sussex

Brief Description: This is the project that won 2018 HMO deal of the year. It showcases a hybrid approach to achieve shared living. Prior approval was used to convert the ground floor rear of the commercial area to residential. We added lots of value to the asset with a combination of 5-bed co-living on upper floors, 2-bed micro-co-living and small retail unit. All 7 en-suite rooms are run together as co-living sharing a central heating and energy system with zones for independent control.

Purchase price:	£190,255
Deposit:	£57,077
Buying costs (Ltd company):	£55,149 (stamp, legals, surveys, fees, insurance, investor interest for refurb period)
Planning costs:	£1,250
Renovation:	£183,889
Furnishing:	£16,111
Development finance:	£155,000
Cash in:	£158,475
End valuation:	£650,000
75% LTV release:	£184,696
Cash left in:	No money left in
Gross rent pm:	£4,584
Net rent pm:	£1,625
ROI:	Infinite



BEFORE



The second case study was originally an almost derelict building consisting of a shop with upper floors and one that I had walked past many times. The upper floors were very large and the plot at the rear had a huge extension. Knowing some of the planning rules, we used the prior approval process to reconfigure and maximise the available space to create a hybrid of single lets, co-living and a commercial unit all in one freehold but with separate leases. This has provided a great combination of income streams from one building.

YPN: How is your business evolving now that you have tackled multiple projects?

Stuart: When I started, I was doing much of the work myself and the co-living concept was in its infancy. We were experimenting, so I had no idea if some of my ideas or concepts would work. What I have learnt along the way is the ability to structure and run a property development company. The best way I can describe what I've done is to liken it to creating a kind of R&D product innovation company. Our key USP and IP that is at the heart of the business is constant innovation, and everything else revolves around that so that we can continue to be creative and experimental.

Along the way, I have slowly built the team to support project and property management via our own in-house co-living agency with dedicated community managers.

I've stayed true to my vision of creating a business which embraces a new type of home-based working environment. We created a dedicated office, which combined with digital platforms allows remote working and an adaptive environment. The same is the case with my property manager who works from home but comes to my office for face-to-face meetings when required, which creates a very fluid business model. Because of the way I have set it up, I get more family time and spend some time with my daughter, who is at home a couple of days during the week. I have got used to this more flexible way of working and I'm not willing to let go of that. If you are working creatively, the hardest thing is to create that true separation of home versus office, so next year we're planning on creating a log cabin office in the back garden.

YPN: On the subject of your business, what sort of challenges have you faced and where is your business heading?

Stuart: It's been a huge learning curve with innumerable challenges along the way.

One of the biggest challenges has been finding the right type of business structure and systemisation. The rapid growth of the business has also required more staffing, so further restructuring. Finding the right builders and trades to work with and finding the right investors to work with has been a constant evolution. With the latter, I have created a network of investors over the years but lining up investors with deals is never easy so I am always meeting up with people who might be interested if a deal comes up. When someone first starts out, it can be difficult to find investors so my suggestion is to start with family and friends. Getting investments is about trust so ensure that you initially ask everyone that you know well because there is plenty of money out there. The other thing I have had to embrace is navigating all the growing pains associated with moving into different scales of development schemes, along with due diligence and deal stacking.

With respect to the business moving forward, I think I'll always continue to do a mixture of PD and larger planning projects because I have a measured attitude to risk. However, I am also keen on creating larger development schemes which will have more impact on the city, so that's an area I can see myself moving into. New build is also of interest but I'm a big believer in laser focus, so in the next few years I will continue to develop the co-living model but I can see myself transitioning into build to rent. In 2020, we also plan to do more to help and support other investors, so watch this space or contact us for information.

YPN: What tips could you share with our readers?

General tip:

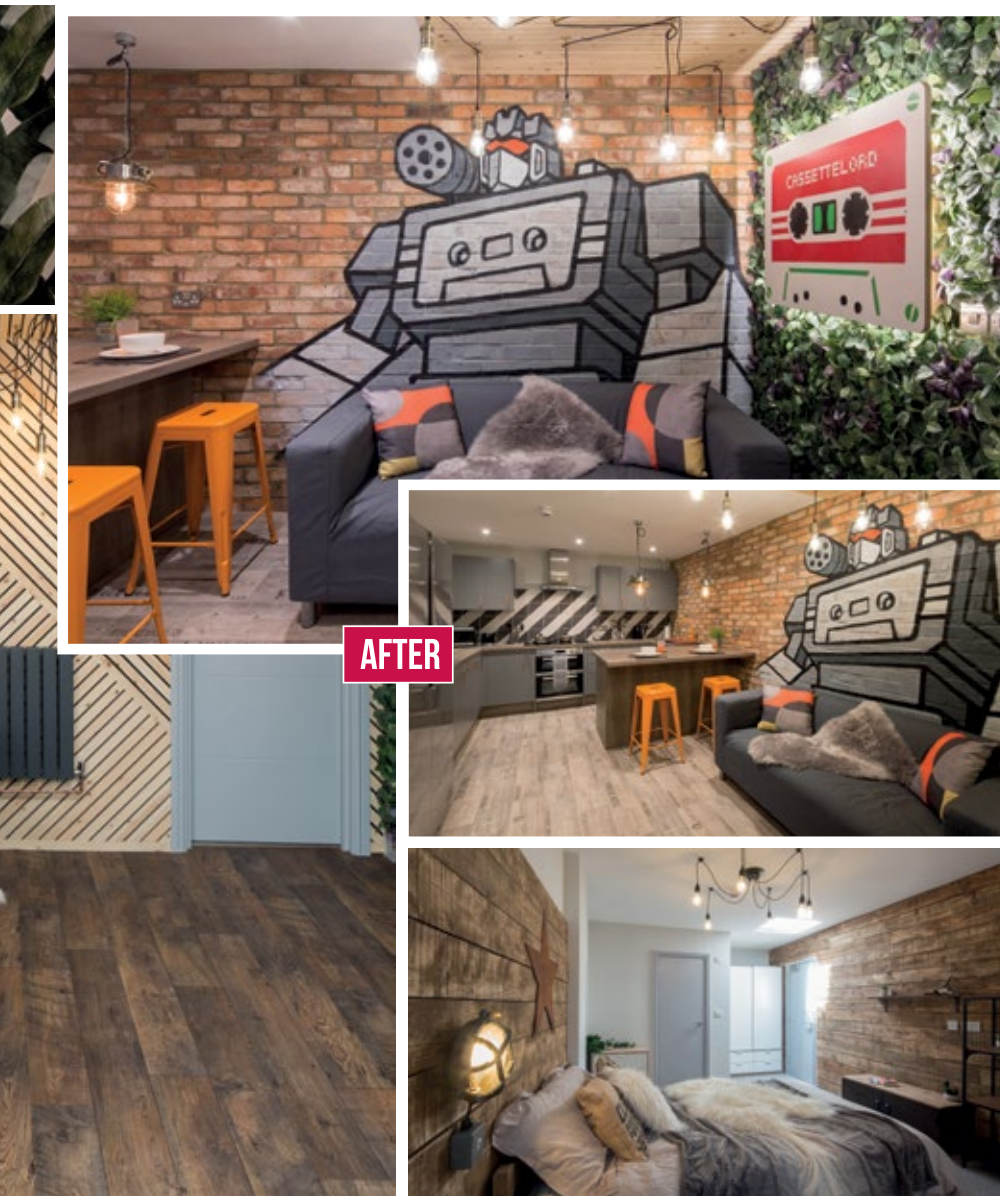
Don't follow the masses. Find your niche!

HMO tip:

Understand your customer needs and focus on creating a great experience.

SA/hotel tip:

Maximise your occupancy with dynamic revenue management.



CONTACT

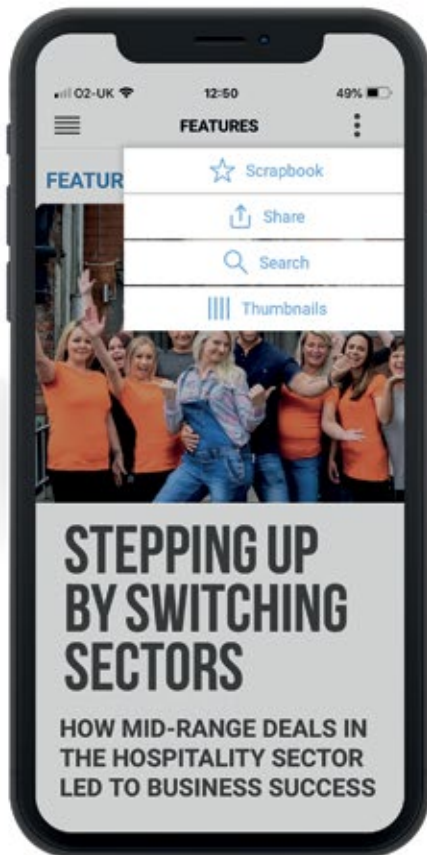
If our readers want to find out more about what you do and ways of working with you, how do they get in touch

Website: www.co-livingspaces.co.uk

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If you experience any issues with logging in, please contact michelle@yourpropertynetwork.co.uk with your full name and telephone number and she will respond within 24 working hours. Please note if this is a Friday, Michelle may not be in contact until the Monday.

Any other queries or questions, please direct them to appsupport@yourpropertynetwork.co.uk and someone will be in touch.

THE ABCs OF COMMERCIAL



Interview: **Michelle Cairns** Words: **Angharad Owen**

Self-professed urban alchemist **Dan Taylor** helps to regenerate local areas by developing distressed assets and empty shops that no-one else seems to want. In this article, Dan shares how to reduce risk, how you can get started and how you can help your high street along the way. Over to Dan ...

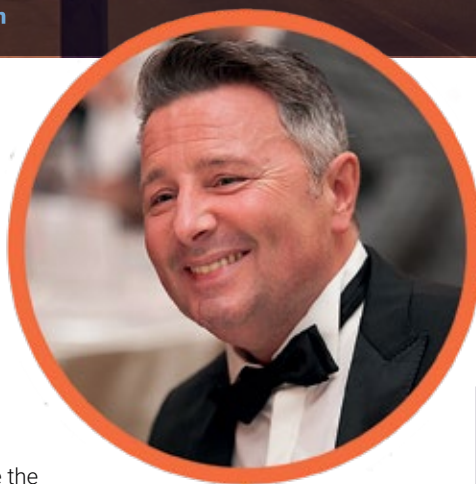
BACKGROUND

I have been investing in commercial property since the 90s, and alongside my property ventures I also buy businesses. I started to fuse the two strategies together as combining both can force big appreciation in the asset class to leverage the strategy, as opposed to purely leveraging debt.

I bought my first commercial property back in 1995 in Edinburgh for £117,000. It was very rundown and distressed, and the seller was highly motivated. Two and a half years later, I sold it for £750,000. Had I known then what I know now, I easily could have made a gain of over £1m. But that deal was my springboard into investing further in commercial property.

I focused on buying businesses with the underlying assets being the freehold commercial properties. Combined with the cashflow from the business, it was an incredible double act that created immediate impact. Buying cashflow meant that I was being paid from day one.

By 2005, I had 30 high-street amusement arcade businesses and 252 staff. In total, this had an eight-figure turnover and a EBITDA run rate of £2.7m, and I wanted to grow further. I used a simple but effective commercial strategy and created a gain of £8.4m by separating the properties from the businesses and then leasing it back.



WHY IS COMMERCIAL A GREAT STRATEGY?

There are so many things that can be done with commercial properties that can't be done with residential. It is a very creative space with multiple different strategies. Plus, there are around a few hundred thousand commercial investors in the UK compared to around three million residential investors meaning there is a lot less competition.

Many see commercial investing as unknown territory, and most are scared by anything that they don't understand or are not comfortable with. As soon as you step out of your circle of comfort and confidence, there is a new set of rules and fundamentals to learn, and this can be overwhelming.

But when you get into it, it's often not as hard as people may think. In fact, it's very simple. Although just because something is simple doesn't mean it's easy. The key thing to understand is that it comes back to the three main ambitions people want to achieve: **income, freedom** and **impact**.

To create freedom, we must create income.
And to create income, we must create assets.
The more assets you have, the better.

With that in mind, everyone has an obligation to themselves and their family to create a legacy going forward – aka impact. If we're going to create income-producing assets to create freedom and eventually impact, why not create assets with the least amount of hassle?

For someone already investing in residential property, having another tool in the strategy bag will only offer more opportunities. The ideal is to create a hybrid strategy made up of a combination of residential and commercial properties to accelerate values.

The main difference between commercial property and residential property is that there is a lot less hassle.

Not only are the tenants professional people, but the agents are specialists in their field who work for you for free, subject to drafting agreements correctly. Whereas standard estate and lettings agents charge a hefty fee.

There are also plenty of tax breaks and incentives from the government when investing in commercial property. Unlike residential property, you can invest your pension in commercial to accelerate your own income and wealth.

Anyone with a residential letting will be aware that repairs, maintenance and fees always need to be calculated into the gross profit. However with a commercial let, these costs can be passed on to the tenant under an FRI lease – a fully repairing and insuring lease. This means that your gross is your net and what comes in, stays in. The only thing going out is the cost of capital or your debt servicing.

As Robert Kiyosaki says, there is good debt and bad debt, but in my opinion the best debt is no debt. Why not have fully amortising loans? Commercial yields are so high that you're able to repay any debt over the period of the lease by the tenant.

CASE STUDY 1

CLIENT'S DEAL ...

This is a commercial/residential hybrid. The commercial element takes the form of four service-based businesses, and the residential is a nine-bed HMO.

Offers over	£340,000
Purchase price	£240,000
Valuation	£280,000
Net cash flow	£26,900

(post capital and interest, ie fully amortising loan)



LEARN YOUR ABCs

I always say that the ABCs of commercial are: Always Buy Cashflow. A residential development can take up to two years to produce any income, it has a variable profit margin due to changes in finance costs and the GDV is dependent on the market at the time of sale, among other variables. By buying commercial property, however, you can start getting cashflow on the day you buy.

I want to start bringing the high streets back to life, but that's quite an advanced strategy. You have to start at the beginning and create impact on your own personal environment first, ie cashflow, and only when your income is at a level where everything is being taken care of can you start thinking about creating impact elsewhere.

Another ABC of commercial is to Acquire, Boost and Compound value. When looking at a deal, consider the amount of income streams that you can apply to, or rather draw from, it. Is it a hybrid strategy or is it a diversified portfolio? If it is either of these, then there is a hedge going forward to protect it from external variables. Something we can't avoid, however, is

the big CAT: Correction, Amazon and Technology.

Correction – when discretionary spending dries up immediately. The first things to go are non-essential purchasing such as expensive retail and memberships. Basically, anything that is considered a luxury not required is no longer purchased. The middle class becomes the normal class and more people start being thrifty and tightening their pocket.

Amazon – although they have taken almost everything out of the gate, there are still things from which they can't take a cut. So businesses like coffee shops, business service spaces and hairdressers will likely be safe.

Technology – whether we like it or not, it will accentuate and exacerbate for good and bad.

With these three in mind, you can pick your tenant, and therefore your cashflow, wisely. I'm very particular about the tenants we secure and it's very easy to assess whether the tenant or business will be CAT-proof or not. I wouldn't touch retail unless it has very few years left on the lease and I already have another tenant lined up.

Something that stops people from investing in commercial is the fear that the company or business on the lease goes under before the end of term. This can be avoided during the due diligence process. Who is the tenant? What market are they in and who do they serve? It's important to understand that for the tenant to be successful, their customers need to be thriving too.



CASE STUDY 2

CLIENT'S DEAL ...

This is a pure commercial deal - what I call "strategic simplicity". It is in fact the simplest form of commercial investment, providing cash flow on day one.

Cost **£300,000**

Rent **£31,000**

Forced Value **£378,000**

Commercial net cash flow **£2,800**
pm post capital and interest



LEARN TO ADD VALUE

Just like residential property, it is possible to add value to commercial property. To do so, it's important to gain an understanding of what your potential tenant needs or wants. Everyone can do desktop due diligence, but at some point you have to get boots on the ground because that's where the gold is.

A deal is very rarely presented in perfect form; you have to sculpt it to make it work. The best way to do that is to speak to the tenant or the vendor multiple times, because you can get to know the previous owner's shortcomings and how you can make the tenants' lives, and therefore businesses, better.

Another great way to add value is to remodel a unit (or units) to create more, consequently generating more income.

In the past I have dropped in some light steel constructions behind the property, as these are perfect for tradesmen such as plumbers and electricians to park their vans and store their tools.

I always have multiple options to add value on a property. If I'm unable to add value in the ways I've described above, then a plan B could be to apply for residential use upstairs under PD. Instead of going through the hassle of converting something into a residential space when it isn't necessary, the residential gain is granted and ready to be used should we ever need it.

My preferred option is to have a long lease with no moving parts. We can leverage the lease and value to pull some money out. Happy days.

HOW TO GET STARTED IN COMMERCIAL

Stick to the ABCs of commercial - Always Buy Cashflow

How do you start in anything? You have to learn the foundations, basics and principles.

You have to start with the end in mind. Before investing anything, you need to know how much cashflow you need to create per month. Ignore the Ferraris and helicopters, how much do you need to get by? How much will actually change your life? And what is the easiest way to get there? Start there and work your way backwards.

Only after you've taken care of number one - your monthly bills and necessities to live - can you then start to look at the more challenging and sexy deals. But why wouldn't you do more of the same? Buying cashflow is a safe strategy.

I'm working on buying cashflow at the moment. I'm currently purchasing a unit for roughly £3.3m including stamp duty and closing costs. The rent is £700,000, and the tenant is a huge international

conglomerate. However, the property is owned by a company that is in administration. So we have a highly motivated bank administrator but also an international tenant with a strong covenant from day one. This leads to an incredible recipe for three things: 1) cash flow on day one; 2) huge yields; 3) massive forced capital appreciation - by coffees and chats instead of construction and contracts. This is the basis of what I refer to as strategic simplicity.

Demographics and location are other things to consider, and it's my number one rule to buy in an affluent area. In a successful area, properties will be re-let easily, as many businesses will want to go there. If you see a high street with loads of vacancies, run a mile unless you have a strong plan B.

I once did a deal that brought five high-street brands to a town and it uplifted the overall value very significantly.

COMMERCIAL DEVELOPMENTS

I don't often get involved with developments, but when I do I like to do something that I call a public/private partnership. I bring in big partners, such as local or central government, so that I can get out before I get in.

An example of this is where I worked with a local authority to come up with a plan to demolish a 13,000-square foot building. A new apartment block with commercial units on the ground floor would be built in its place. We worked with the LHA housing

association so they would be responsible for all risk.

I bought it, and they financed it, dealt with the contractors and were obliged to pass us the commercial units in a specific form on a specific date. If they weren't on time, there were onerous penalties on their part. Although doing a deal in this way may mean sacrificing some profit, we aren't exposing ourselves to as much risk so it is a win-win.

Having as little risk as possible is important to me because I want freedom in my life.

WORDS OF ADVICE

Going back to the ABCs – always buy cashflow and acquire, boost and compound value. There are plenty of creative commercial strategies along with tax breaks, plus there's the ability to use your pension for investing in commercial property and to create your own family trust for future generations. This enables compounding of income and wealth as it's a tax-free environment.

When you're starting out in commercial, you want to keep things simple and safe because the goal is to create secure income. So start with your goal - what's your basic number? Figure out what assets you have to deploy into commercial, and then use strategic simplicity to get there in the fastest, safest way possible.

The fastest and simplest route to cash flow is to buy existing income, ie buy cash flow. This is the safest route because you're adding value as mentioned earlier, through coffees and chats instead of construction and contracts.

It's different for everyone. For me, commercial is all about buying cash flow as fast as possible to create the income you need to get the lifestyle you want. By de-risking as much as possible, I'm safe when the next correction hits. Who knows what's coming, but it will always come at some point, so expect it.

The best thing about commercial is that you can combine buying existing income streams to create cash flow with the ability to add significant value without the risks of refurb. The best thing about adding value is not the increase in equity, it's the decrease in risk, gearing and finance costs to make your investment safe and secure for the longer term.

We live in a time of great opportunity, and some say that when the baby boomers start disposing of their assets, it's going to be the biggest wealth transfer of a generation. It's a great time to get into property, but if you're going to get into property, it is definitely worth considering adding some commercial properties to your portfolio.



WHAT IF SOMETHING DOESN'T LET?

I bought a property back in 2016 that is still lying vacant. We tried to get a well-known brand to take on the lease – and therefore increase the property's value – but it didn't work out. I'm now heading into discussions to do a public/private partnership.

Through my experience with this empty unit, I now ask myself whether not getting any income from a unit for the first three to five years will make a difference to my life. If the answer is no, then I don't buy it. I only want

something that will positively impact my life. It turned out that it made no difference whether I bought that property or not, but it was an opportunity cost. That's why it's important to buy cash-flow, so that you can start getting an income on day one.

Unless you have a very specific plan, be wary of having an empty box. If you're unable to convert the upstairs to residential under PD, will it work as, for example, a dentist's practice or as an office?

Why is the ground floor hard to let? Is it too big? If so, can it be split? Can the rear be converted into residential? This is urban alchemy.

Splitting units does need a lot more due diligence, and a lot of money can be made from doing it. When you're getting started, remember the ABCs of commercial - Always Buy Cashflow and Acquire, Boost and Compound value.. Focus on getting to your monthly goal and creating personal alchemy first.

CASE STUDY 3

CLIENT DEAL

Purchased using a SSAS

Offers over	£560,000
Purchase price	£515,000
Net cost to purchase due to deal structure	£467,000
Rent pa	£50,000



CONTACT

To find out more about investing in commercial property, go to taylorcapital.co.uk

This article is this month's Your Property Podcast interview.

To find it, simply search Your Property Podcast in your podcast app or on Soundcloud.



The importance of pension goals

John and Lisa Curran

Property Professionals and Investors



John and Lisa Curran have a vision for their retirement, but they weren't always so clear about what they wanted to achieve and when.

It was only when Lisa listened to a presentation at the Chester PIN by Simon King of The Landlord's Pension that the Curran's really began to think about their longer-term plan.

Not a regular networker, it was only by chance Lisa had attended, but what Simon had said really hit a nerve. Having three frozen workplace pensions between them, "It was a bit of a Eureka moment", John confesses. "We knew we had the pensions just sat there doing nothing. We also knew we wanted to grow the business and invest more in property, so we couldn't believe we hadn't heard of the SSAS before then and how perfect it was for our longer-term goals".

"Starting the SSAS has been a gamechanger". Lisa Curran started investing in property in 1998, buying her first 'Buy to Let'. Her sister already owned a small lettings company and had a small portfolio. With this little bit of insight, and forgoing luxuries, Lisa saved every spare penny to gather together deposits for very small properties, together with her new husband John. "This was when we first got the bug", Lisa explains, "We were buying what we could, learning and doing well, but with no clear future plan" John adds.

When Lisa's sister decided to sell the Lettings business, John and Lisa took it on, alongside their own day jobs. Now a successful lettings and property sales agency, Lisa gave up her original job to run the business some years ago. John is only just now leaving his role in finance.

Setting goals and longer-term plans hadn't featured highly in the Currans early strategy, "That is, until our first child was born", John remembers. At this pivotal point, they booked a weekend in a hotel, took a laptop and a flip chart and thrashed out a 10-year plan. "We were determined and locked into following the plan and achieved it early, in just over 5 years". John admits, "When we achieved that goal so quickly, my first thought was, crikey, what next?" However, life moves on, more children came along and 'what next?' took a back seat,

"Until we heard about the SSAS!".

From the tax efficiency, the loanback and freeing up of funds to the opportunity to look at investing in commercial property, which was new to us", it offered us so much.

So, what did John and Lisa Curran do with their SSAS pension?

Well, our first move was for our SSAS to buy our business premises from us. We also actually bought the shop next door too!" John begins. Not only had SSAS been the prompt needed to make a move into commercial property, it freed up funds for the Curran's business to move into the main town.

"We now rent out the original premises so we get tax free rent going into the pension, building the pot".

"Every aspect of the SSAS sounded made for us"

The Curran's business has been elevated and the pension is making capital gains. "We plan to do the same again and use the SSAS to buy our current premises, freeing up more funds, with which we are thinking of investing in a small development site". With the amazing flexibility of the SSAS pension, the pot will just grow and grow, as will their portfolio.

So, Phase 1 was the original 10-year plan; Phase 2 successfully facilitated by the amazing flexibility and power of the SSAS pension; so what are the Currans looking forward to for Phase 3?

John is clear, "We know exactly where we will be and what we will have at age 55, 8 years away, but we don't plan to just give up work". They are now in a position to invest sizable amounts into their pension for retirement, whenever that may be.

"The next step will be to add our children to the SSAS and ensure the trust is set up efficiently for the future". Educating future generations with regard to pension and investment is so important. The Currans are already setting an example for their progenies. "Our children know a little of what we do and we play the odd cash flow game at home. We have an opportunity with the SSAS and we want them to learn and be a part of it all".

"In a nutshell, the SSAS has offered us exciting options that we didn't know we had".





VAT AND SDLT BENEFITS OF URBAN REGENERATION

By property
tax specialist
Simon Misiewicz
FCCA, MBA



URBAN REGENERATION

Urban regeneration is a wide-ranging term that can apply to a broad spectrum of situations. It essentially covers the reconstruction of built up areas, especially where there is evidence of urban decay. Urban regeneration began in the late 19th century.

According to the British Urban Regeneration Association, regeneration should lead *"to the resolution of urban problems and ... bring about a lasting improvement in the economic, physical, social and environmental condition of an area."*

VALUE ADDED TAX (VAT) INCENTIVES FOR URBAN REGENERATION

There have been a number of legislation and tax changes that have a negative impact for property investors throughout the UK.

However, there are some significant VAT incentives for residential and commercial properties. A reduction of **VAT from 20% to 5%** on all direct materials (that are integral to the building) and labour used to "refurbish" a property will be available whereby a property is either:

a) an empty property and has been so for two or more years

This will be the case where an area has been run down for two years, abandoned and boarded up.

b) a building being converted from a commercial unit to residential

You may have urban areas where commercial properties will no longer be sustainable. This is particularly the case for commercial properties (namely offices) where there are permitted development rights to convert a commercial property into a residential dwelling.

It may be better for an area to have residential buildings to ease the pressure of the housing crisis than to have empty offices. This is why permitted development rights to convert such properties are so appealing to both local authorities and to property developers.

c) a single dwelling house/flat being converted to multiple dwellings or vice versa.

There may be residential properties within the definition of urban regeneration that are far too big to meet the needs of local people. As such it may be more appealing to convert a house into flats. This creates more affordable housing to the local community.



REDUCTION FROM 20% VAT TO 5% ON EMPTY PROPERTIES

You do not need to be VAT registered to benefit from this reduction. Your suppliers (builders and associated trades) will need to adjust their invoices to show the VAT rate at 5% instead of the usual 20%. This is not a relief you claim retrospectively so you need to get it right first time.

Please note that the 5% VAT is achievable only on conversion works (labour and materials) and not professional fees like architects, project management, survey costs, etc.

The reduction of VAT rate from 20% to 5% cannot be claimed on soft furnishings such as carpets, cushions, bedding, etc. Additionally, the VAT rate reduction cannot be applied to freestanding items such as non-integrated fridges, cookers and so on. Finally, the reduction of VAT cannot be claimed on items such as TVs, videos or other lifestyle electrical appliances.

Please note that your builder/tradespeople must buy and fit the materials. No VAT may be claimed back by the property investor at any time.

There have been many tradespeople and their accountants that are unsure about this ruling and may push against it. I would advise that you read VAT notice 708 for more details of this VAT reduction as you may need to educate a number of accountants.

PROPERTY DEVELOPERS: AN EVEN BETTER VAT INCENTIVE FOR BUILDING AND SELLING RESIDENTIAL DWELLINGS

You may already be aware that property developers that build homes to sell may recover all of the VAT that is incurred.

Existing residential buildings also qualify for the 0% VAT rate if they haven't been lived in for at least 10 years. You may find this is the case in an urban regeneration site where properties have been abandoned as they are no longer fit for purpose. They have been boarded up and left to decay over time.

The same 0% VAT rate applies for commercial buildings that are to be

converted into residential buildings. This is provided that they were not residential buildings in the last 10 years of their existence.

All costs associated with either knocking down or converting existing buildings into residential dwelling which are to be sold, will have a 0% VAT rate. You may pay VAT during the project, but these may be claimed back as part of the quarterly VAT return.

Please speak with a VAT expert before proceeding.



A NOTE ON STAMP DUTY LAND TAX (SDLT)

One of the tax changes that affected residential property investors was the introduction of the 3% SDLT surcharge for any property with a value of over £40,000. This surcharge applies to anyone that already has a residential property in their own name or wants to buy it in a limited company.

There was an interesting court case involving an asbestos-filled wreck of a bungalow bought as a buy-to-let investment by Paul and Nikki Bewley in January 2017 for £200,000. Following a tribunal decision, it has been established that the remit for claiming the surcharge depends on whether the property is immediately habitable upon completion.

The official Housing Act of 1957 dictates that a habitable property is one in which a functioning toilet, bathing and cooking facilities are available to the occupier. In the case of the Bewley property, the asbestos-filled dwelling lacking central heating made habitation dangerous.

It is therefore possible to see the removal of the 3% SDLT surcharge when buying run down properties within an urban regeneration area.

We should also not forget that SDLT on commercial buildings is cheaper than that of residential buildings. It may therefore be quite appealing to locate urban regeneration sites and convert commercial buildings into residential to:

- reduce the SDLT banded rates
- remove the SDLT surcharge, and finally
- reduce the VAT on conversion from 20% to 5% or even 0% in certain circumstances

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Is Funding Your Hurdle?

Get Access to 100% Funding For Your Property Projects with Sourced

(Photo: Phil Gordon, Sourced Central Glasgow, outside his refurbishment project in Glasgow)



After completing a number of light refurbishments, flips and managing a few buy-to-lets, Phil Gordon wanted to move to bigger projects and step up his property game. However, just like many other aspiring property developers, the hurdle he came across was funding. Hefty deposits required for mortgages and high fees of bridging loans, make borrowing money a hard pill to swallow.

The solution presented itself to Phil after discovering Sourced Franchise and the hurdle of funding turned into merely an integral part of his projects – all taken care of by Sourced Capital.

Unlike borrowing money from traditional sources, loans with Sourced Capital are based on the end value of projects, allowing franchisees to borrow up to 70% GDV.

In most cases, that covers the purchase price of the property, materials, labour and any fees required to complete the project. This allows our Franchisees to complete large-scale projects with a minimal financial input of their own – maximising profits.

Sourced offers the only franchise opportunity of its kind in the industry. On top of access to funding, the Franchisees get access to over 70 training days a year,

they receive ongoing support, exclusive materials and much more. All the additional benefits sealed the deal for Phil, and he joined the Network as Sourced Central Glasgow.

Phil's first project as a Sourced Franchisee was a 4-bed refurbishment property,

conveniently located in the outskirts of Glasgow. Phil borrowed £182,000 from Sourced Capital, which covered the full purchase price of £177,000 and allowed the Franchisee to use very little of his own money to complete the project.

Once sold, the project will generate £40,000 in profit – that's after paying back all of the interest to investors!

At the time of writing this article, the refurbishment works on Phil's project were completed and the property is being advertised on the open market.

Learn more about the Sourced Franchise Opportunity at www.sourcedfranchise.co.

Sourced Franchisees can borrow up to 70% GDV of their projects, allowing them to complete large scale projects with little to none of their own money.

Phil says:

"I joined Sourced mainly for the access to the funding, to enable me to get into larger projects than what I've done before."



I also joined for the training, support and everything else that comes along with joining."

What is Sourced Capital?

Sourced Capital is a Peer to Peer Lending Platform, which offers competitive returns to investors while funding Franchisees' projects in as little as 6 months.

To add to the security of the loans, borrowing from Sourced Capital is available to Sourced Franchisees only. Each deal is assessed by the HQ Team and packaged into a loan investment opportunity, before making it open for investment on the platform. Visit sourcedcapital.co for more info.



Learn More About the Sourced Franchise Opportunity

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WILL THE REAL NEWS (RESEARCH) STEP FORWARD?

Firstly, a very happy 2020 to everyone – I hope the year brings you prosperity and happiness. I don't know about you, but I am sick and tired of seeing so much non-evidence based information (drivel).

Some of it is just misleading or sensationalist, but some is outright dangerous. It is prevalent in the health industry and in the property industry so in part one, I want to let off some steam off about the health claims.

More often than not the information is subjective (*based on personal feelings, tastes, opinions or prejudice*) rather than being objective (*based on hard facts*). Sadly, it's often for monetary gain, especially where celebrities and fads are paired. What's clear is that social media has just made the communication of misinformation so much easier, so don't believe the hype – get some scientific evidence to support the claim(s).

So why am I so incensed? For those of you who know me, you'll know it's because I am a trained scientist, so very evidence-based (excludes faith, religion etc). If I can't see real, tangible proof I'm pretty pessimistic and dismissive.

The stuff being spouted out on a regular basis is TNTC (too numerous to count) and I'm sure you'll have your favourite. Much of it is health related – just don't get me started on the beast that is goji berries.

My old employment sector of pharmaceuticals spends millions on gathering evidence (clinical trials) before making any claims. But here is a typical way sensationalist TV health programmes, often fronted by a health professionals, engage us. Yes, it's all light-hearted but some impressionable viewers will take it seriously.

Here we go: Let's take six people who have done the obligatory health questionnaire – three will go on a cabbage-rich diet and three will stay on a normal diet and try to prove that munching cabbages leads to weight loss. Really? Just based on three people – if I really wanted my intelligence insulting, I'd! Some of the conclusions on TV are diametrically opposed – both sets of evidence cannot be right, so the programmers just pick examples that support their claim. Sadly, nutrition and health just don't have a simple relationship.



The Game Changers (Netflix) pro-veganism camp introduces audiences to people who have become elite athletes by switching to a plant-based diet. Impressive? Not really, as it's only a handful of people and not hundreds. You simply cannot say you have proof by just asking a few people if they feel better or stronger. It's just too subjective and at best, anecdotal. You can always find someone who felt better eating X or Y.

Let's say I have genuinely started to feel better by eating two avocados every day! That might be the case, but it's just me. Someone else may just start getting stomach cramps or worse. The feeling better bit is ok, and being a curious bunch addicted to social media, we may try a few non-evidence-based fads. What's worrying is when nutrition is linked in a positive way to more serious health issues, again supported by anecdotal, subjective information.

The Magic Pill documentary suggests that a ketogenic diet (low carbs/high animal fat) helps autism, asthma and even cancer. The evidence was collated by a controversial celebrity chef and much was based on individuals. Not surprisingly, medical organisations have dismissed the claims and suggest that people should speak to their healthcare professionals. Agreed. Again, these types of programmes are playing to the vulnerable and impressionable.

Not everything misleading is TV-based – the world that is social media has fixed that problem, so we now get BS instantly and more frequently. Are celebrities conning people into the BS that is wellness fads? Yep, I do believe that to be true and it's often the case that they're peddling dubious wellness advice to the masses – most has little science credibility. The general public is already in a heightened state of confusion on how to have a healthy lifestyle and **science-free advice** just makes it worse.

Superfoods. Please give me a break – it's more like "super expensive" for the "super fools" who buy into this particular concept. As ex-GMTV presenter Fiona Phillips put it: *"we're surrounded daily by eating or drinking more of this will help us live longer and better."* Her documentary on **The Truth About Healthy Eating** looks at superfoods (and their cheaper neighbours) which have no effect apart from emptying your wallet.

My own dislike around the hype of goji berries has been replaced by chia seed claims, which, you've guessed it, protect against all manner of ill-health. Others you can add to your own shopping list: kale, quinoa, etc. It doesn't just stop at foods – look at the mineral water market compared to tap water. No proof that the former is better. It's all clever marketing.

The commentary and narrative that we often get is at best confusing and at worst dangerous. It's always been a case of balanced diet and regular exercise for optimal health, so ditch the health fads and stick to the basics. The human body, through evolution, has developed sophisticated ways of telling you if you're out of kilter eg feel tired, feel crap, gain weight or something worse. There are plenty of other things to rant about ... but I'll leave it there for today.

Top Tip for 2020: eat a balanced diet and exercise regularly (stating the blooming obvious!). For your property health, keep reading YPN – I'll rant about the research and hype around property another day.

RANT OVER

Raj



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THE BUSINESS AND THE FUTURE OF COLIVING

By Angharad Owen

Over the past couple of years, the term 'coliving' has grown in popularity. Worldwide Google searches of the term have increased by over 100% in the past five years, with related searches including "coworking" and "coliving" followed by major cities, eg New York, Paris and San Francisco. In the UK however, coliving searches only started to gain popularity from 2016, and it is increasing, albeit very slowly. Related search terms include "London", "coworking" and major coliving space providers such as The Collective.

This research explains what people are searching for – but what does it mean for the future of housing?

And, what exactly is coliving and who is it for?

When this question was posed to the attendees of the conference, there appeared to be some differing opinions. **Luke Spikes**, founder of coliving model and serviced accommodation HiggiHouse, made it very clear that coliving is not a term that can be interchangeable with HMO. He says: *"a lot of people have been relabelling an HMO as coliving because it feels convenient and on trend, but in fact they are not making any fundamental changes to what their proposition was before."*

Dan Jackson, founder of Urban Shared in London and the Urban Shared app, agrees. *"Coliving is about improving the customer experience in a shared home, regardless of whether it's for the younger generations or for older adults,"* he explains. *"There needs to be a focus on how other tools can be used to foster the sense of community and create a feeling of belonging."*

A form of coliving has been the accommodation of choice for a high number of American retirees. In the 1980s, retirement villages flourished in the USA and many senior citizens come together to live in a smaller room with large shared amenities. However, according to **David Bunk**, principal of Canadian company Home Free for older adults, coliving is more than a small room with shared amenities. *"It's the idea of having more by having less,"* he says. *"To colive, having material possessions becomes less important."* He believes that having less stuff will allow people to have more freedom to explore hobbies, try new experiences and have more meaningful relationships with others. He continues: *"Baby Boomers aren't looking to live in the same way their parents and grandparents did in these types of facilities. They are looking for something new, and coliving is the answer."*

Understanding that coliving is changing the way that both developers and consumers are viewing shared accommodation, however, it is still in its infancy – perhaps because there is not yet a distinct definition. Nevertheless, there is an increasing interest in the model from the investment community, particularly in the USA. Major companies such as Common, Quarters, Roam and the UK's The Collective have shown that there is a demand from the market and the model does indeed work.



Despite these companies' success, the UK's estate agency industry still needs to catch up with the advancements and developments in shared living, says **David Thomas**, director of Liberty Gate, an award-winning estate agency in Nottingham. *"I haven't heard it being discussed at industry events, but I think it would be great for an estate agency to be involved with it because it could become an essential part of the private rental sector,"* he states.

A possible reason for the hesitation from agencies to implement it is due to the lack of online tools for marketing specific coliving rooms or spaces. Although there is a website (coliving.com) that allows consumers to filter spaces by city or country, there appears to be a concern that relying on direct bookings may not be sustainable, particularly as developments, ambitions and competition increase. Many of the well-known coliving brands use social media to target prospective consumers, and this is something that smaller operators should consider when developing their spaces.

In order to market their rooms effectively, Luke Spikes and Dan Jackson wanted to offer a customer-led brand. Jackson began offering long-term accommodation using the popular rent-to-rent strategy, whereby he pays the landlord a guaranteed rent every month, rents the rooms out individually and however much is left over is profit. Not owning the properties meant that he was unable to invest in the spaces, so he had to start contemplating other ways to create a good experience for his consumers.

He decided to implement technology to create a community around his brand, so he developed the Urban Shared app. On the App Store, the app's description says that tenants can communicate directly with the landlord, raise and track maintenance issues, access tenancy documents, browse through videos and instructions for household appliances including WiFi codes, easily move between Urban Shared properties within two weeks, and browse through a list of additional products and services offered including personal room cleans and contents insurance.

Although Jackson said that the purpose of the app was to create a community, from the description it suggests that it is just another tool for communication between landlord

and tenant. Therefore, is it ultimately for benefit for the tenant or was it developed to make the landlord's life easier?

Whereas Jackson focuses on utilising existing properties and trying to make the best of what is already available, Luke Spikes is looking to build properties specifically for coliving purposes. His goal would be to have a hybridisation of coworking, coliving and serviced accommodation throughout the building.

"Urbanisation is one of the big global drivers for this, and many people want to come back into living in city centres." Luke says. *"A second driver is unaffordability, so we have to make better use of the land and real estate assets in the cities where people want to live."*

"You're not going to do that by redoing something that's already been done. You have to rethink it."

Coliving itself is not a new premise – people have lived in some form of shared accommodation for decades, whether it be rooms or in a retirement village. The current coliving trends, however, are being driven by younger people. Bunk considers whether it's down to homeowning gradually becoming more unaffordable, or whether the incoming generation just want to do things differently to what their parents and grandparents did. *"There seems a focus on a freer lifestyle, with many people trying to find a hybrid between owning and renting,"* he explains. But for the elderly,

Canadian rates for homelessness among senior citizens are "skyrocketing".

According to the National Shelter Study from 2005-2009, the estimated amount of emergency shelter users in Canada over the age of 55 increased from 10,727 in 2005 to 12,120 in 2009. Older adults were also more likely to have longer stays in shelters, with 13% of those over 55 staying for more than one month, compared to only 8.5% of adults aged 25-54.

Another study researching the evictions of senior citizens in the Greater Toronto Area by the Centre for Equality Rights in Accommodation found that the number of homeless seniors in Toronto doubled between 2009 and 2013 (from the City of Toronto Street Needs Assessment, 2013) and that close to 30,000 senior citizens are on the waitlist for social housing in Toronto (based on data reported in Toronto Vital Signs, 2016).





**A lot of people
have been
relabelling an
HMO as coliving
because it feels
convenient and
on trend**

David's model is to provide suitable housing to senior citizens in Canada, but he has been hesitant to use the term coliving for what he is providing. *"We usually talk to the children of our clients and we rely on them to talk to their parent about coming to us,"* he explains. *"The word coliving isn't commonly known in that age group."*

Spikes, on the other hand, is keen to avoid using industry-specific terms, eg HMO, when speaking to prospective consumers, as they are unlikely to know what it means.

"Why would I use that language when communicating with a customer?" he asks.

He chooses to use the term 'coliving' and he hopes that by doing so, he will attract more people to his brand.

Trying to integrate the term into everyday use will depend on how the model succeeds in major urban cities around the world: Berlin, London, New York and San Francisco, to name a few. These cities are considered unaffordable for those on a standard income, and there isn't much space to build. *"There's a perfect storm in some parts of the globe with regards to the demand for what we're doing,"* Jackson says. *"It's a basic supply and demand and cost issues."*

More people are looking to move into city centres because prices are moving up, and the fundamentals are pointing towards the increasing numbers of people who need to live in these areas. Now, developers and accommodation providers are looking at how to make them even better.

Alongside economic drivers, there are society trends that are playing a part in the trend towards coliving. According to the ONS, in 2018, suicide rates increased by 11.8% from 2017. However, it is important to note that the ONS has stated: *"Suicide rates tend to fluctuate on a year-to-year basis. It is therefore too early to say whether the latest increase represents a change in the recent trend."*

Loneliness is a common problem in the UK too, with over nine million people – almost one fifth of the population – reporting that they are often or always lonely, based on Trapped in a Bubble research by the Red Cross.

"Coliving is the next generation of shared home, where it's addressing some of the issues surrounding loneliness in this ever-connected world,"

Jackson says.

Spikes believes that is the role of an owner, operator and developer to focus on the customer, and that coliving is fundamentally about the wellbeing of the individuals in their charge. He also believes that introducing multi-generational living will help combat some of the above issues regarding loneliness, particularly in the elderly.

A study in The Netherlands has shown that having six students living in a residential home for the elderly found that the *"the elderly home made a transition from a predictable and controlled environment in which elderly people were objectified and received minimal, cost-effective, and efficient assistance in daily life to a surprising and anticipating intergenerational, enabling environment in which elderly people live; they do the things they can and enjoy doing and receive assistance accordingly."*

(Intergenerational Housing: The Case of Humanitas Netherlands; Arentshorst, Kloet and Pine, 2019.)

Could this be the evolution of coliving? While some think that large purpose-built buildings with hundreds of rooms is the best model for coliving, eg The Collective, Jackson believes that smaller, family-sized units are a better



model, connected to other similar units in some way. Common in New York have utilised Brownstones in this way, which are a good size for a great coliving experience. *"Having buildings with 200, 300, 400 rooms, I think you need to be very careful to not create a different problem,"* Dan warns.

"As a community, we are still learning. The research around optimum room space and community elements is creating a lot of opportunity to do different things to enhance this asset class even further."

At least everyone agreed that coliving must be a consumer-led model. What do the people want? Estate agent David Thomas is *"shocked by this political stance of having longer tenancies."* Through speaking to tenants daily, he has noticed that many want flexibility. He believes the desire to be transient through work or lifestyle has contributed to the growth in short-term accommodation such as Airbnb. He adds: *"People like the flexibility of being able to choose to be transient if they want, or if they'd rather to put roots down."*

Going back to the original question, what exactly is coliving?

From being present on this panel and writing this article, it seems that coliving is ultimately shared accommodation focusing on feeling rather than function. Luke Spikes's closing advice to developers is to: *"put yourself in the shoes of the customer and reflect upon whether the space enhances the way that person feels."*

David Bunk's vision of coliving for older adults is an opportunity to *"do well by doing good."* Coliving – done right – offers an opportunity for anyone working in property to add more meaning to their lives. *"We can take care of people's hearts and it's a real opportunity to live our best lives as investors,"* he says.

It is a form of living that encompasses flexibility, community, shared space and the use of technology. Age should not be a barrier, as studies have shown that every generation can learn from others. David

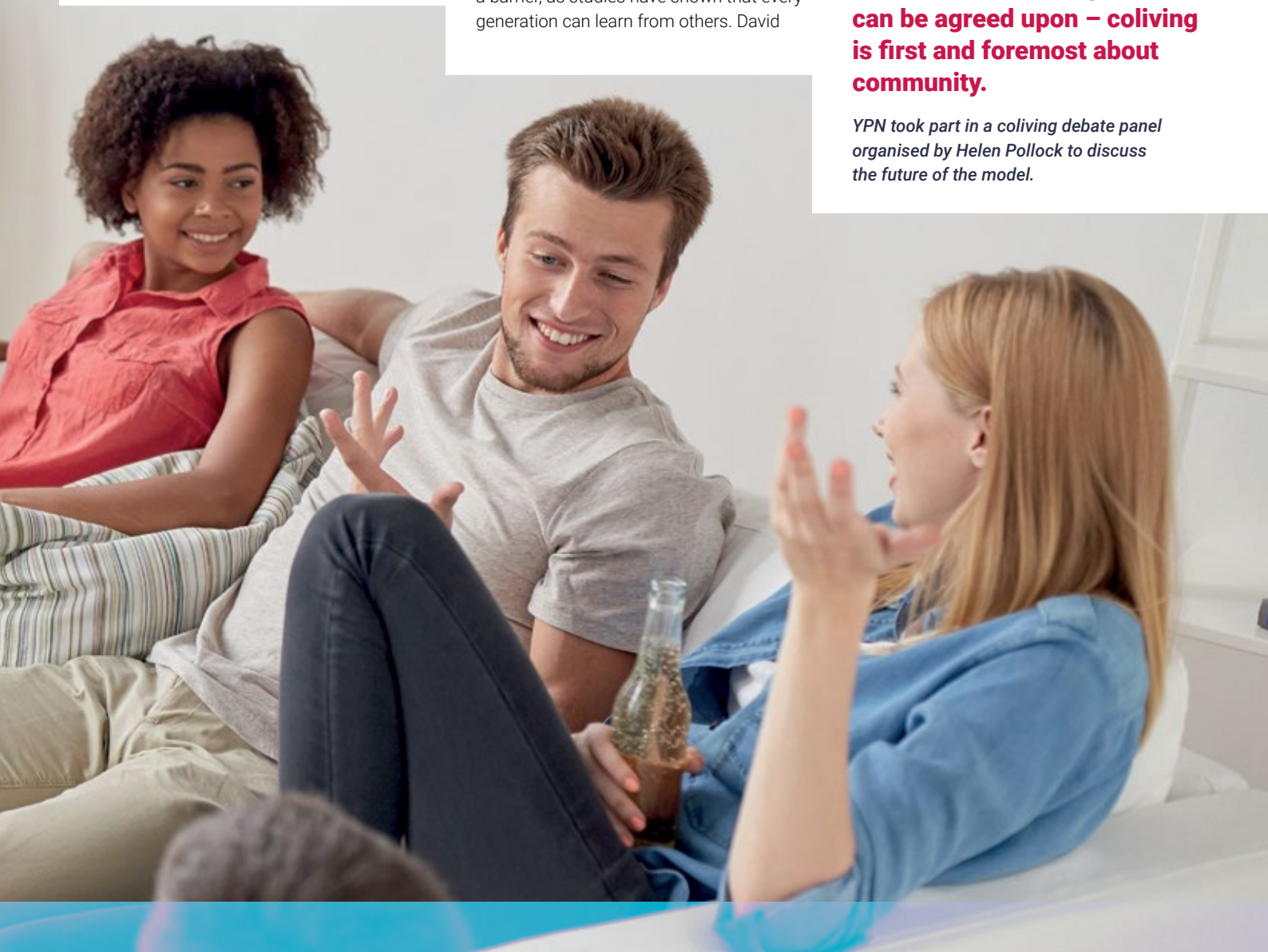
Bunk's Canadian model has proven that coliving can work for senior citizens and Luke Spikes is keen to introduce multi-generational living in the UK. Coliving should be a place where people can not only connect with housemates, but have the freedom to explore new activities and hobbies through house meals and skill share sessions.

By utilising existing spaces, like Dan Jackson's model in London, people can be brought back into city centres without the price tag that often comes with it. However, building specific coliving spaces would allow developers to create somewhere specifically for the consumers' needs without limitations of size or location.

There is no one-size-fits-all for coliving. Having a multitude of different options, from countryside retreats for the digital nomads to city centre apartments for working professionals, would allow consumers to find exactly what they are looking for.

But there is one thing that can be agreed upon – coliving is first and foremost about community.

YPN took part in a coliving debate panel organised by Helen Pollock to discuss the future of the model.



YPN **TOTAL** DEVELOPMENT

- ▶ **TIRED OF DEALING WITH BUILDERS WHO DON'T UNDERSTAND WHAT YOU ARE TRYING TO ACHIEVE?**
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- **Dry rot**
- **Japanese knotweed**
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TOTAL Development webinars run twice a month, starting on the 19th February at 8pm. Make your development projects a TOTAL success! Join us today at www.yourpropertynetwork.co.uk/totaldev

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Released February 2020

With **Martin Rapley** and
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Webinars are hosted by YPN team member **Michelle Cairns** and development and refurbishment

WHY BTL STILL WORKS

JESSE
FOSSEY
TAYLOR

JESSE FOSSEY TAYLOR, FOUNDER OF FORTHELANDLORDS.COM, CHALLENGES THE COMMON MYTHS AND REASONS WHY PEOPLE THINK BTL IS NO LONGER A VIABLE STRATEGY IN TODAY'S MARKET. OVER TO JESSE ...

1 TAX CAN BE YOUR FRIEND

When people say that BTL isn't a good strategy anymore, I think that's a load of rubbish! Despite all the headline changes to the industry, my numbers have improved with every financial year. People get hung up on tax structures, but in actual fact I'm paying quite a bit less tax than I was four years ago, and I have more properties.

I'm not special. All I did was sit down with my accountant and take advantage of opportunities that are available to everybody. Although things have changed recently, the same tax breaks are there – you just might have to look somewhere else for them, and it's only by getting organised and doing things correctly that can you do so.

I now invest using a limited company, and I still have properties in my personal name and some in trust. There are pros and cons to both, but I think generally using a limited company can currently work in your favour. Book a time to speak to a good accountant – that will definitely work in your favour.

2 STICK TO YOUR NUMBERS

I don't think that BTL has changed that much at all. It's still there and it looks pretty much the same. I'm still buying houses for the same percentage numbers as I was in 2002 or 2012, but I am investing in different areas now.

I focus on renting to families, so we look for two and three-bedroomed terraced or semi-detached houses. If there are a lot of houses around, there will usually be a bus route nearby. As long as you don't have to walk too far to get the bus, the property will always rent. Over 50% of our renters drive now too, which is a change from 20 years ago.

My model is to buy, refurbish and rent out. The perfect price for me is somewhere between £50,000 and £150,000, depending on how much work is needed. Some areas will rent better than others, but we always adjust the purchase price accordingly.





3 PICK YOUR LOCATION WITH CARE

Location does play a part in finding a BTL, but it's probably not as important as it is for an HMO or for serviced accommodation. In some ways, I can see why people think that BTL is a dying strategy, because there are several parts of the country where it doesn't work at the moment.

My first investment area was Northampton, and although it isn't quite dead yet, it's pretty lifeless because of the increasing house prices. You can't buy much in Northampton for less than £100,000, and that doesn't leave much room in the budget for any renovations. It will unlikely be worth more than £150,000 at the end, anyway.

Now, my portfolio is spread across Nottingham, Derby, Sheffield, Manchester and Liverpool. When I hear how much people pay in stamp duty in the South, I'm always shocked to be reminded at how much it is. I never even think about it because our houses are all bought for less than £125,000. Of course, we do pay the 3% stamp duty, but we factor it into the price. The additional 3% appears to kill a lot of deals south of Watford, and that's when people are forced to consider HMOs.

I always look for a margin of 20% in the end value. Doing so means we can start building a momentum to invest. Not many people can get 80% LTV mortgages, but if you could the only thing left in the deal would be fees and stamp duty. I leave a little bit of cash in most of the single let houses I buy, but I like to gain momentum to pull some or all of it out after six months.

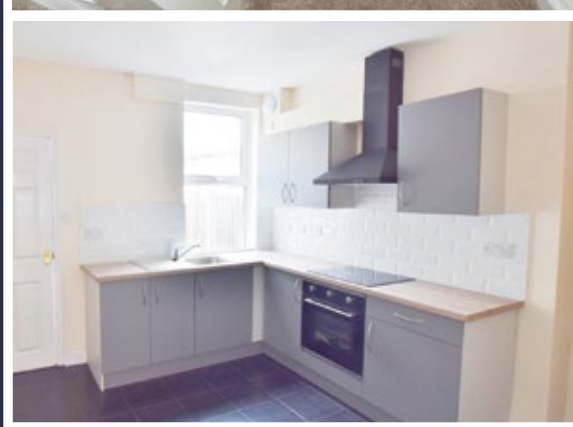
I didn't take any money out of my property portfolio for the first 15 years, and I don't take all that much out now. Abstaining in that way, and delaying the gratification for as long as possible will get you ahead of the pack. You will gain momentum and it then snowballs. It might be a struggle to purchase your first four properties say, but the fifth will be easier. By the time you want to buy your fiftieth property, you'll be able to use your rental profits to purchase it.



4 MANAGEMENT — NOT AS TOUGH AS YOU MIGHT THINK

People often compare the management of a BTL to HMOs, and it's often queried whether a single let really is easier than an HMO. We have around 350 rooms throughout the portfolio, but single lets are still the core of the business.

I don't manage the properties myself. As my team does it, so my time involvement with HMO vs BTL is exactly the same either way, but I have found that the more properties you own, the easier it gets. The more you have, the more great people you can pay to do the management work. My team tell me it takes around the same time to manage a five-bed HMO as it does for three single lets.



5 GOOD VS BAD TENANTS

People are often worried about attracting a certain type of tenant, and I have definitely had my fair share of these problems before I had my management team. However, something I've learned over the past decade is that no matter what or where the property is, being a landlord with the right attitude and therefore the right property will attract the right tenant. The trick is to choose the good ones, because your choice will include the crap tenants too.

It is also important not to look down your nose at anybody either. In our business, everyone who walks into the office gets treated the same way. Just remember that the areas that many landlords turn their noses up at, are where 60% of the UK population live. The numbers speak for themselves.

6 DON'T INVEST IN A HOUSE THAT LOOKS LIKE YOUR OWN

Okay, this is a truth and a myth all at once. A classic investor mistake is wrongly calibrating the type of house that works for BTL.

I score houses from 1-10, and many investors don't know how far down the scale they have to go. Investors tend to live in houses rated 6 and above. The best houses for BTLs are the 3s and 4s. No-one wants to live in 1s, and the 2s will only work if they can be upgraded to a 3. A 5 house won't work because it doesn't yield.

Because of this scale, my portfolio is filled with the same types of houses and the numbers are all boringly similar. I love the fact they're all the same. I have someone in the team who looks at every single listing on the online portals every day. There is no shortcut. If one looks half decent, book a viewing. That's the life of a property investor.

7 CAN YOU REPLACE YOUR INCOME?

Of course you can, and you'd be surprised at how quickly. Figuring this out is like trigonometry. If you know the length of two sides of the triangle, you can work out the third. The three things you need to know are:

- **how long a period you have before you want/need to replace your income**
- **how much money you have at the start**
- **what your ambition is**

Knowing two of these will enable you to work out the third. Everyone has to sit down with a piece of paper and get realistic, and it will be different from person to person.

People always overestimate what can be done in a day and underestimate what can be achieved in a year. There are different levels to financial freedom, and one the nice things about investing in property is that every time you buy another one, you get a little bit closer to your goal.

I like to say that earning £8,000 is the same as earning £80,000. Of course it isn't the same, but what I mean is that 95% of the UK's population earn within that bracket. If your salary is between those two numbers, then you're in with everyone else.

Life happens within the boundaries of whatever level you're at, so getting a little bit ahead will help massively. Everyone can do a few extra hours at a second job or tune down their spending to save more. If you can then squeeze extra cash that into some good investments, you're in a strong position to start getting yourself just that little bit ahead.

Anyone who says that BTL doesn't work as a strategy often doesn't see how much – or rather, how little – work and effort needs to be put in to get an extra £200 or £300 per month once you've made a start. Having one may not be worth it, but doing it consistently five times will have a huge impact.

In answering this question about replacing a salary, I sometimes feel like a bit of a fraud, because I've never had a job and so have never had to replace a salary. I have never worked for anyone else, and that might well make some of my decision-making a little bit skewed when compared with others in a salaried position.

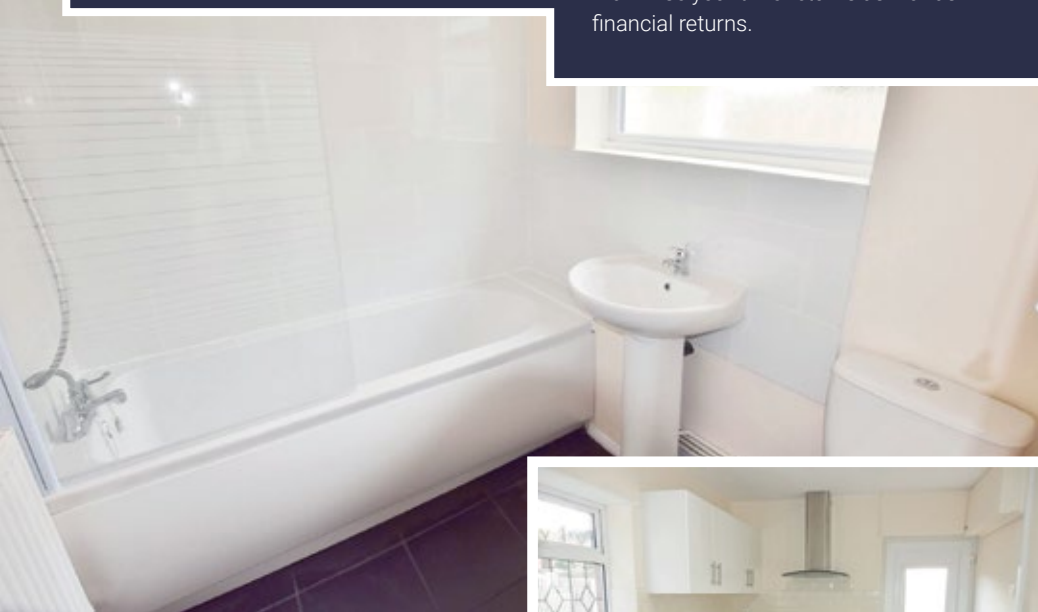
On the other hand though, I really, really value my time and I believe that BTL property is the best lifestyle business in the world. Focus on income, yes, but more importantly, focus on the TIME it takes you to make that income each month. Although it sounds terrible to most people (who have been pre-conditioned by society), aim for "easy street", ie, aim to maximise your time returns as well as financial returns.

8 THE QUESTION OF CAPITAL GROWTH

For the first three to five years of owning a property, the rental income and capital growth will be relatively even. But after that, the capital growth outstrips any rent increases. Even if you buy the wrong house in the wrong area (but please don't!), if you hold onto it for long enough it will boost your wealth. And if you do it right, you'll be able to buy more houses and each one will go up in value.

It's easy to think that I've been lucky and super successful, but all I did was buy some houses 10, 15 years ago and then refinance them to keep on going. I used the cash released to go out and buy new houses. That snowballs after time and it's the capital growth that will make you a millionaire. The trick is to look at it as a long-term strategy.

If you don't need to sell, you're doing absolutely fine. If you're still making money every month, keep it going. As long as you can keep things going through the recessions and the periods where house prices fall, the rent will still be coming in and it will work out fine in the end.



ForTheLandlords.com
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The audio recording for this article is available via the YPN App



WHERE DO I

INVEST?

MARK LLOYD

As a change from my usual articles, I thought I would look at some of the most frequently asked questions I get asked by newer investors on our introductory Property Investing Masterclass.

Probably the single biggest question that we are asked is: where do I invest?

Unfortunately, we don't know the whole of the UK market but I feel confident that we could go into any area, make an assessment and make money from that area – it's just a question of strategy. The first question actually should be: what is your strategy?

Here are some of the things that we look for when targeting an area or property:

ON THE RISE

Is the area up and coming? And how do we know if it is or not?

Some obvious signs may include hospitals, university, transport links, business parks, train station. However, these only tell you about an area and are very good ways of analysing the demographics – it does not mean that is necessarily up and coming. Now if we change these slightly and precede each word with 'new' – new hospital, new university, new roads, etc. Now we have an indicative sign of growth in the area.

But how do we find out before these things happen? Surely the best time to invest is before the announcement of the new hospital/university/roads – wouldn't you agree?

This is where local knowledge wins every time. Firstly, you should review the council's local plan. It's quite a lengthy (and boring) document, but it gives you a good idea of what the council is planning for the next five to ten years. It would be available to download from your council's website.

There will also be a neighbourhood plan, which is a way of helping local communities to influence planning where they live or work, so it is useful to understand how the local population are thinking.

You should also attend local council meetings. Most are open to the public, but some are closed doors if sensitive information is being discussed.

Attending meetings serves two purposes:

- **To hear about what is going on in your local area or where you are thinking of investing**
- **To meet members of the council, including planning members. This gives you an opportunity to network with those who make the local policy and decisions, and are a mine of information.**

Lastly, network! Not just at property network meetings, but business network meetings too. In fact, any opportunity to network should not be missed, as you just never know when that next opportunity will present itself. Meetings are a great source of information that can help not only with local information, but also potential leads and deals.





“For the area, a lot of that should have been answered above, certainly as far as initial and ongoing research is concerned but it is also important to visit the area.”

ADD VALUE

Does the area or property have potential for development? I'm not just talking about new builds here as that is a complete topic in itself, but the area itself or an existing property.

For the area, a lot of that should have been answered above, certainly as far as initial and ongoing research is concerned but it is also important to visit the area. And this means getting out of your car!

I've always found that walking the streets is far more valuable than desktop research or just driving around. There have been many a time where I have just stopped the car and walked around an area, and have even knocked on a few doors to find out what was happening with a particular site. I am always amazed that a lot of investors don't do this.

I recall a couple of years ago when we had snow in the south of England and I decided to go out door-knocking. Why? As we all know, transport in the UK suffers with a bit of snow so there was a high probability that people would be at home. As it turned out, I had several useful conversations and it even led to one deal.

With regards to the property itself, does it have potential for development?
What I am looking for are a number of different things:

- Does it need taking back to brick?
- Does it need a decent refurb?
- Can we extend?
- Is there scope to title split?
- Does it have potential as a new-build site? In other words, can we increase the number of dwellings? It is surprising how many properties have the potential to do this.
- Is there a conversion opportunity?
- Does the property have issues like subsidence or Japanese knotweed? Whilst issues will likely put off amateur investors, you should consider them an opportunity. Why? Firstly, because the number of potential buyers is substantially reduced and secondly, because they are all fixable – at a cost! But that of course strengthens your negotiating position.



The more value you can add to a property purchased at the right price, the more profit you will make. Remember, you make your money when you buy!

FINDING AND PRICING DEALS

Once you have established where to invest, it's then about marketing and finding deals. One method I've used in the past is looking for companies like Purple Bricks or out-of-town agents. You have a far greater chance of meeting directly with the vendor and establishing rapport. Like in any negotiating/sales situation, the closer you can get to the decision maker, the more likely you will conclude a deal. I'll cover more about methods of finding deals in a later article. Lastly, running the numbers. You need to be proficient at running the numbers. If you're not sure, ask for help from someone more experienced than you. There are a number of good spreadsheets available, but this is also where a good coach/mentor can help.

If you would like to find out more how Mark Lloyd can help you with your investing, please visit www.propertymasteracademy.co.uk or call 01252 730040

ASBESTOS

WHAT ARE THE ISSUES?

By Mark Doyle

There are six main types of asbestos with varying material uses and associated causes for concern to human health. The mere mention of the word asbestos is emotive, and it is very commonly found throughout properties in a variety of materials and in places most of us wouldn't guess (most of us with homes in the UK older than 2000 have it in our properties and wouldn't know it!). It will be an issue for property investors and developers over the next century and to identify it correctly and know what to do with it, you will need the support of a specialist asbestos consultant and testing laboratory. But do we need to know about it or is ignorance bliss – and if we've got it on a project what do we do about it?

Asbestos fibres are so strong they cannot be broken down by the human body!

You cannot see asbestos and there is no 'SAFE LEVEL' of asbestos exposure!

A BRIEF HISTORY OF ASBESTOS AND ITS USAGE

Asbestos is a naturally occurring mineral deposit (see photo 1) that has been and is still cheaply mined usually from large open cast pits (see photo 2) in approximately 30 countries. It occurs as thin crystal fibres and is normally crushed and processed close to the mine, then transported as a bulk powder for addition to various materials. It has been attractive for use due to its cheap cost, durability and as an insulator or barrier product due to its chemical and high heat resistance.

The three most commonly utilised types of asbestos are Chrysotile (white asbestos), Amosite (brown asbestos) and Crocidolite (blue asbestos). Less commonly used have been Anthophyllite, Actinolite and Tremolite.

The use of Amosite and Crocidolite was finally banned in the UK in 1985, but Actinolite, Anthophyllite and Tremolite were legally in use until 1992. Finally in November 1999, Chrysotile was banned in the UK, but continued to be used throughout the EU until 2005. Asbestos still remains the single greatest cause of work-related deaths in the UK.

The death rate from mesothelioma (a cancer of the lining of the organs caused almost exclusively by the inhalation of asbestos fibres) has been steadily rising since 1970 in the UK. Sadly, in 2017 2,523 deaths were reported by the HSE.

Just because it's banned doesn't mean it's gone.

Amazingly, even with the known threat to human health, asbestos is still mined today.

It is widely utilised in Russia, China, Kazakhstan and India, and the World Health Organisation (WHO) is undertaking additional specialist research into what it considers to be a 'health time bomb' in the making (see Image 1).

WHAT'S THE ISSUE WITH ASBESTOS?

Asbestos fibres are so tiny that they are completely invisible to the naked eye (a thousandth of the diameter of human hair) and are easily inhaled when disturbed. When inhaled they can stick to the lining of the lungs; over time this can cause serious illnesses and is one of the most important occupational carcinogens, causing about half of the deaths from occupational cancer. Exposure to asbestos can cause cancer of the lung, larynx and ovary, mesothelioma (a cancer of the pleural and peritoneal linings) and asbestosis (fibrosis of the lungs). It is currently thought that at least 107,000 people die every year with asbestos-related illnesses (WHO Chrysotile Asbestos Report 2014), and not surprisingly its use is now completely banned in the UK and throughout the EU.

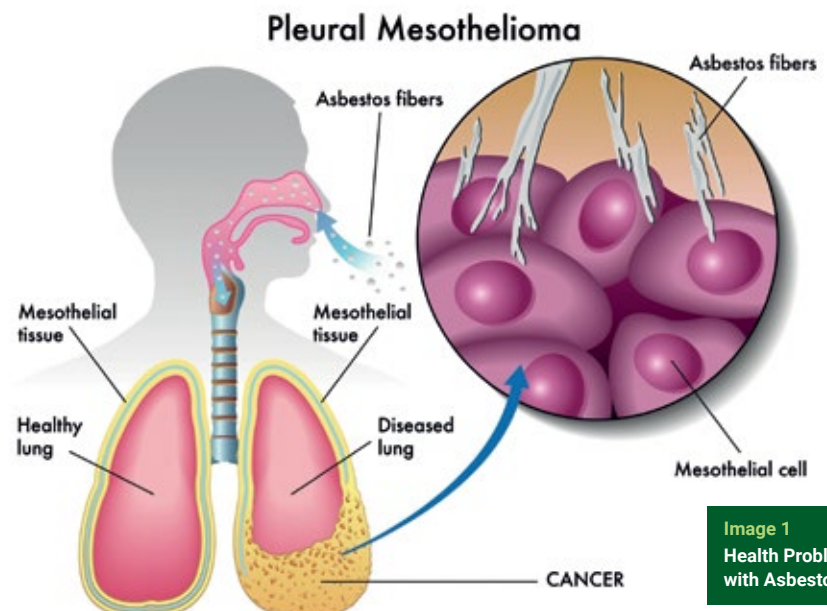


Image 1
Health Problems
with Asbestos

WHERE DO YOU FIND ASBESTOS?

In the UK, asbestos is commonly found in produced goods such as adhesives, bitumen felts, fibre cement, floor tiles, friction surfacing, gaskets, insulating boards, laggings, mastics, paints, papers (millboard), putties, sealants, reinforced plastics, spray coatings, textured coatings, yarns ... and this list is by no means exhaustive.

The Health and Safety Executive (HSE) have produced a substantive series of guides, easy-to-follow flowcharts and various task sheets covering the usage, retention and removal of asbestos (www.hse.gov.uk/asbestos/essentials). Briefly, these guides group the historical usage of the wide variety of material into the following commonly found groups:

- Dealing with asbestos cement sheets and products, including asbestos-containing plastic products
- Dealing with asbestos insulating board (AIB), millboard, marine board, insulating blocks, etc
- Dealing with asbestos lagging on pipes, boilers, etc
- Dealing with sprayed asbestos – 'limpet', etc
- Dealing with textured coatings, etc
- Dealing with other asbestos-containing materials, eg fabric, paper, gasket

WHERE DOES ASBESTOS COME FROM?



Photo 1: Asbestos fibre crystal



Photo 2: Jeffrey Asbestos Mine, Quebec



Photo 3: Bulk asbestos transport

HOW SMALL IS ASBESTOS?



Download free resources to find out about asbestos and how to manage it at www.notimetolose.org.uk
Source: www.asbestosdiseaseawareness.org/wp-content/uploads/2011/08/Slide.jpg



#NTTAsbestos

Photo 4: Just how small is asbestos? It's much smaller than a grain of rice!

HOW DO YOU RECOGNISE ASBESTOS?

Firstly, you simply can't identify asbestos fibres with the human eye (see photo 4), but sometimes a material just looks different, perhaps it's slightly fuzzy or furry to look at so you may think you can see something within its constituent mix. However, it's impossible to tell just on sight (no matter what your builder may say), that's why experienced asbestos consultants take samples and send them away to a laboratory for analysis.

YOUR PROPERTY AND ASBESTOS

If, like most of us, you have a pre-2000 property, whether a house or a large commercial building, then you should expect it to contain asbestos. It then becomes a question of how much are you going to disturb the fabric of the property. If you're simply decorating (eg painting the artex) and your property is a single house, then you should be fine. However if you're undertaking a larger project with a full ripout, renovation or conversion then others may want to see evidence of your asbestos survey.

So who might ask for evidence of your asbestos survey?

- Some contractors (eg demolition, main and drywall), insurance and warranty providers, mortgage brokers and companies, principal designer, skip and waste removal companies, site agent/engineer.
- If your works fall under the requirements of the building regulations, then your inspector will ask for information regarding asbestos prior to you starting on site and issuing your completion certificate.
- Council officers, such as Environmental Health and Housing Standards are flexing their muscles more since the devastating Grenfell fire.



HOW DO YOU HANDLE ASBESTOS?

The golden rule is to always leave any material containing asbestos where it is undisturbed if you can. The second choice would be to cover it over, protect it (and again leave it undisturbed). However, if it absolutely has to be removed, it's generally thought to be fine to handle so long as you don't break or disturb the material. For small amounts of asbestos, it will need to be carefully placed in a correctly labelled 'fit for purpose' plastic bag (usually red in colour), then placed in a second labelled bag and sealed.

Asbestos usage has been so widespread throughout the UK that many local councils still offer a 'free' service, where you can either take your double bags of asbestos waste to the local tip and place it in a dedicated container, or the Environmental Health Officer could arrange for collection for a fee (Note: Essex Council charge £40 to remove a 40kg bag whereas Richmond upon Thames will charge £44 for up to 200kg and you should expect to pay £50/bag for a private contractor collection service).

CASE STUDY 1: 2-BEDROOM BUNGALOW FLIP IN CHESHIRE

Asbestos was found in four main locations, as determined by a £200 asbestos consultants' survey: 1960's kitchen floor vinyl tiles, artex on the ceilings, cement board around the old floor standing boiler and the boiler flue pipe. The cement board and flue pipe were removed and the other items were covered over.

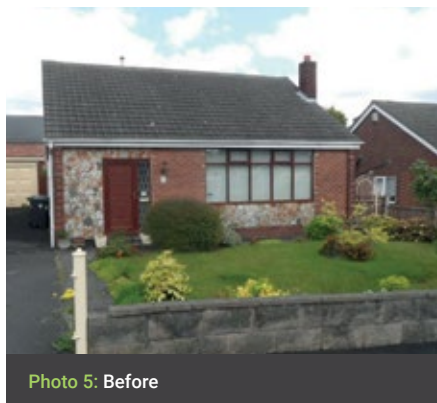


Photo 5: Before

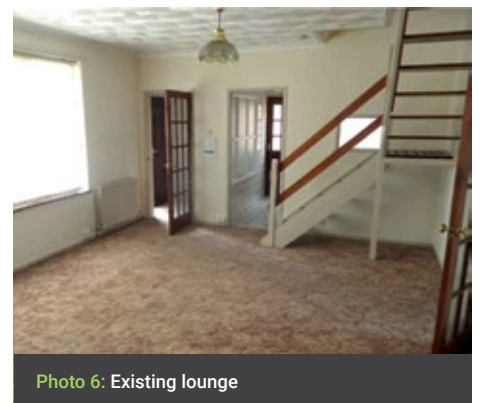


Photo 6: Existing lounge

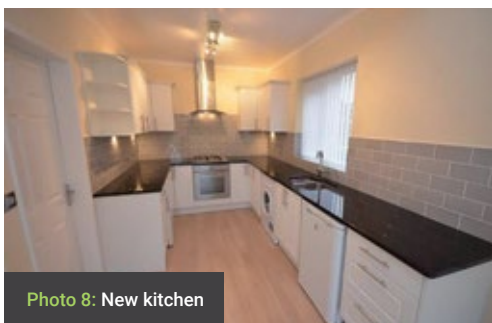


Photo 8: New kitchen



Photo 7: Asbestos waste collection

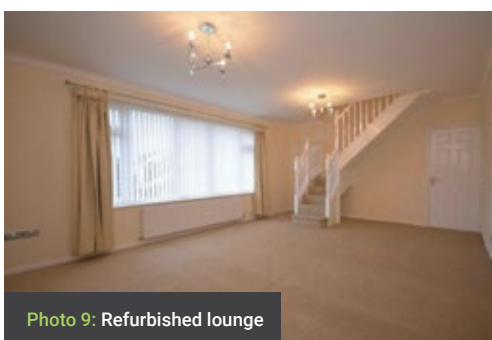


Photo 9: Refurbished lounge

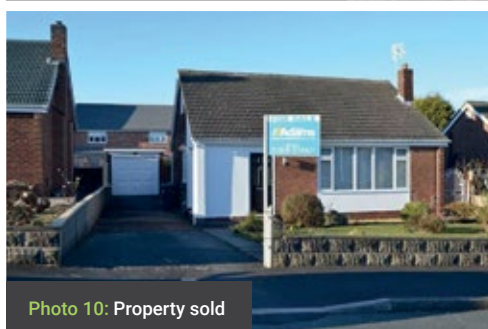


Photo 10: Property sold

Some 10 bags of approximately 25kg each (think of a bag of cement or builders sand) were double bagged on site in red and white plastic sacks and sealed. These were collected by a registered waste disposal contractor for £500.

BUT SHOULD WE JUST REMOVE IT OURSELVES?

Asbestos is categorised as both licensable and non-licensable by the 2012 'Control of Asbestos Regulations'. So some materials such as vinyl flooring and asbestos cement panels may be removed by non-HSE licence holders. However other works must be carried out in accordance with HSE requirements by a registered and licensed hazardous waste contractor.

HOW IS ASBESTOS REMOVED CORRECTLY?

Following a professional asbestos survey, a suitable contractor registered with the HSE can be appointed to remove waste to an Environment Agency licensed asbestos landfill site. Works must give 14 days' advance notice to the HSE prior to work commencing. Contractors must monitor air quality, isolate the areas with plastic sheeting, create positive air zones, airlocks and an onsite decontamination facility must be provided. These firms also have in-house schemes whereby all workers are under health supervision by a doctor.

ASBESTOS SURVEYS

To identify the scale of the issue, you need an asbestos consultant, who's simplest, most basic visit starts at around £100+Vat (outside London and the South East). Once your consultant starts to compile a report and take samples for lab analysis you can expect your costs to start at around £450-£600 for a survey, laboratory analysis and detailed report on a building up to say four-six units. However, what you're really paying for here is the guidance and recommendations to remediate and sort out the problem.

Not surprisingly the attention to detail required with the survey and assessment of asbestos, then determination of the removal process and the contract to do so, is time consuming and costly.

CASE STUDY 2: DEMOLITION OF MAGISTRATES COURT, MERSEYSIDE

This 'Stilt' design building had various access, accommodation and structural stability issues leading to closure and requiring demolition. The primary issues with asbestos were the utilisation of concrete panel board in multiple layers around the 1960's exposed steel structure to protect from fire damage.



Photo 11: Magistrates Court



Photo 12: Skip tipper liner



Photo 14: Typical spraying down dust & bag sealing



Photo 13: Typical sealed room

This had a 12-month delay while the asbestos survey was undertaken and substantial remediation works determined.

Although some minor asbestos removal work was required the bulk of the work involved larger sheets of material. In this case some 150 cubic metres of asbestos waste material, mainly Chrysotile or White Asbestos impregnated sheets or boards. As a solution the contractor placed a 20 ton skip on site with a double plastic container bag liner inside. Each of these skips cost £800 + VAT.

CURRENT STATUS OF THE UK ASBESTOS PROBLEM

Asbestos was known to be utilised in UK homes prior to 2000 and it's currently thought that at least 1.5m homes still contain asbestos in the UK. It is also estimated that some 80% of schools and a large percentage of higher education buildings and hospitals have a substantial asbestos problem (see the non-partisan independent think tank: ResPublica, see www.airtightonasbestos.uk/research).

Currently in the UK some 20 tradesmen a week die due to past exposure.

WHAT CAN I DO?

Be sensible; always wear a mask on a dusty project! If you suspect an issue exists, then call in an asbestos consultant for a survey, and if you need to spend time and money to sort out an issue then factor in the costs as we would any other aspect of work.

CONTACT

Mark is happy to chat with anyone that may need some assistance and can be contacted at: mark@cheshlancs.co.uk, www.cheshlancs.co.uk

Mark and his wife Claire have well over 20 years' experience in BTLs, HMOs, developments and conversions.

Today, Claire runs their business while Mark's chartered engineering background allows them to work on properties in poor condition.





TOTALSA

ARE YOU THINKING ABOUT STARTING A SERVICED ACCOMMODATION BUSINESS?

ARE YOU PLANNING TO SCALE UP YOUR EXISTING SERVICED ACCOMMODATION BUSINESS OVER THE NEXT FEW MONTHS?

ARE YOU GETTING THE MOST FROM YOUR SERVICED ACCOMMODATION INVESTMENT AND MARKETING SPEND?

Demand for serviced accommodation is exploding! And it has become one of the most exciting property investment strategies around. That's both great ... not so great.

Great because there is **huge demand** and **lots of opportunities**.

Not so great because it means increased competition and it's attracting the attention of the authorities.

It also gets confusing. Why?

There are lots of sub-strategies that fall under the banner of serviced accommodation. City apartments, corporate lets, holiday lets, contractor accommodation, B&Bs, hotels ... aside from the catered vs self-catering debate, the nuances within each strategy can mean make or break for the success of your investment.

Making money from serviced accommodation means getting the right property in the right place for the right market – and delivering the right service. Above all, you must know and abide by the rules.

If you want to REALLY understand the opportunities, the potential, the realities and the rules and regs, then YPN TOTAL SA is for you!

TOTAL SA consists of fortnightly webinars with experts, advisors and active investors in this strategy. These sessions will cover what you need to know, along with deep-dive interviews with investors who are willing to bare all about their SA properties and deals to reveal the nitty-gritty of the business.

Members will also have access to a private Facebook group where you can discuss all things SA, pose your questions to the experts and get access to the full webinar library.

TOTAL SA webinars run on the second and fourth Tuesdays of each month, on Tuesday evenings at 8pm.

In recent sessions we have spoken to James Quinn of Fusion Furniture about how to furnish your SA unit, what costs to expect, service and what to include to impress your guests.

Among lots of others, we also have a step-by-step live demo to help you learn how to understand occupancy rates, profit margins and SA hotspots.

Make your serviced accommodation a TOTAL success! Join us today at www.yourpropertynetwork.co.uk/TotalSA

What members are saying ...

"TotalSA fills in the missing pieces, absolute golden value, thank you"

NICOLA GRAHAM

"Very informative webinar last night, lots to digest."

DANIEL WILSON

WHAT WILL YOU DISCOVER?

Here's a taster ...

The different types of SA

What properties are suitable and how should they differ according to guest type?

Finding suitable properties

How to do the due diligence on an area and the property.

Inspirational case studies

Investors will be sharing details of their deals – purchased and rent-to-rent – from city apartments through to rural and coastal holiday lets.

Finance and funding

How can you fund SA properties? And what are the tax implications of this business?

Fitting out

What fittings and furnishings do you need? What should you provide? Successful SA operators will show how they do it.

AS WELL AS MARKETING, CHANNEL MANAGERS, CHANGEOVERS, MANAGEMENT AND LOTS, LOTS MORE!

Webinars are hosted by YPN team member

Michelle Cairns and SA specialist **Richard Evans.**



Join **YPN TOTALSA** at www.yourpropertynetwork.co.uk/TotalSA to make your serviced accommodation business a **TOTAL** success.

INTRODUCTION & RISING DAMP

By Stuart Hallworth



It's that time of year when landlords are most likely to find themselves on the defensive side of a never-ending battle with tenants over dampness. In a series of three articles starting this month, you'll gain a better understanding of how damp-related problems occur and how they can be reduced or avoided altogether.

Generally speaking, an older house is more likely to suffer from damp than a modern counterpart by nature of its construction. Think about a typical house built during the Victorian period (19th Century).

It may have:

- (a) thin solid masonry walls
- (b) an absent or ineffective damp-proof course
- (c) rainwater fittings positioned over the top of external walls
- (d) a 'torched' or unlined roof
- (e) exposed chimney stacks and disused flues
- (f) solid floors without damp-proof membranes

All these features make the building far more vulnerable to dampness than a house of

more recent construction, but in the past, these houses were less damp than you would think. Why? One reason is that they were more draughty. Moisture within the building was extracted naturally through gaps in the structure, allowing good air circulation.

For example, internal air was drawn up the open chimney flues and expelled via the stacks. Air could pass in between the roof tiles or slates and in between terraced houses through incomplete party walls in the roof space. Natural ventilation was abundant via gaps around the sash windows, under doors and elsewhere. All this encouraged moisture from within the dwelling to evaporate away and dampness was kept under control.

However, once an old house is brought up to modern living standards, it receives many fundamental changes which mean that the building no longer functions as designed. For example, fireplaces are blocked up and the flues become disused, underlay gets inserted under the roof coverings, gaps in party walls are closed up, original windows and doors are replaced with sealed uPVC counterparts and insulation is installed. The result is that natural ventilation is significantly reduced or

removed, so moisture entering the building or produced from within becomes trapped, leading to damp problems. Rectifying them can be a frustrating, expensive and ongoing task, but if they are not dealt with, more serious problems can develop.

Dampness can lead to:

- (a) dry rot attack
- (b) structural damage
- (c) decay of internal joinery
- (d) damaged wall plaster and decorations
- (e) ill health of the occupants
- (f) problems when applying for a mortgage

There are a multitude of different sources of dampness in houses, but all can be classified into the following categories:

- (a) up from the ground, commonly known as 'rising damp'
- (b) through the structure, called 'penetrating damp'
- (c) from airborne moisture within the building, which is 'condensation'
- (d) incidental causes, eg floods, spillages and leaks from tanks and pipes

In this article, I'm discussing dampness that has come from the ground. Next month, I will examine the common sources of penetrating damp, followed by the big problem of condensation.



TESTING FOR DAMP

When dampness is discovered, careful thought and consideration is needed before the correct diagnosis of the cause can be made. You should also consider the possibility that there may be more than one source.

The standard moisture detector is a must-have device in the landlord's toolkit. You may have read that they are useless or inaccurate, but this is not the case when you know how to use it properly and interpret the readings.

They work by sending an electrical charge between the two probes when pushed into the material being tested. Some have a range of lights that extend up the scale depending on the level of moisture detected. A high moisture content will send the lights into the red zone. At this level, the moisture will be high enough for timber decay to develop (around 23%).

However, the standard type detectors only provide an accurate reading when used in timber. If the surface being tested is plaster, cement etc, the reading is not accurate and should be expressed as wood moisture equivalent (WME). The scale goes up to 90% WME, but the detector only measures to around 28% moisture, therefore a reading of say, 60% still means high moisture levels, but not a 60% moisture content. There are also variations in readings depending on the type of timber being tested. You will get a false result on wall plaster if it is contaminated by salts or if the plaster is covered by foil-backed wallpaper.



SALT CONTAMINATION

Those salts that get deposited in the wall when rising damp evaporates are hygroscopic, which means that they absorb moisture from the air. This explains why you get a very high reading on the meter when they are present. They are also capable of absorbing moisture through replacement wall plaster, creating the impression that rising damp remains, even after damp-proofing work has been carried out.

It can be blocked by the use of salt-resisting plasters, which is why replastering should always be an integral part of damp-proofing work. Be aware that symptoms of rising damp may actually be salt contaminated plaster. This can occur from inadequate damp-proofing works when replastering has not been done, or if the replacement plaster was of an unsuitable type.

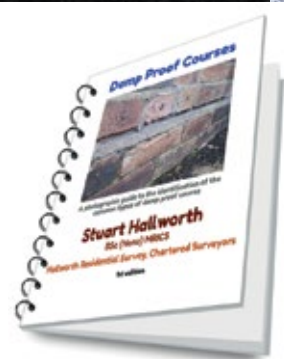
DAMP-PROOF COURSES AND RISING DAMP

A debate about whether rising damp actually exists has been raging for years. If the house does not have an effective damp-proof course, moisture from the ground will be absorbed by the building materials and travels upward by natural capillary action. Around one metre above floor level, it is stopped by the gravitational force. As the moisture evaporates, salts drawn up from the ground are deposited in the wall.

This scenario may be termed 'rising damp'. It gives a very specific pattern of damp readings on the meter. They increase in severity as you travel up the wall, then at the upper edge of the damp area, there is a band of very high readings, followed by a dry surface above. The salts cause the detector to give artificially high readings, especially along the upper edge, which is where the greatest evaporation has occurred, occasionally referred to as a 'tide mark'. However, if a damp-proof course exists, but dampness is present, or if a different pattern of damp readings is observed, then the cause must be something else, therefore should not be described as rising damp.

To be accepted by a mortgage lender, the remedy for rising damp is the retrospective installation of a damp-proof course. There are a number of techniques for doing this. It is important that the work is carried out by a reputable contractor who issues a long-term guarantee. Be aware that installing a secondary damp-proof course is often prescribed as the remedy in every damp case, even if the cause is not rising damp. Favour contractors who carry out a proper assessment and provide an explanation and diagnosis. PCA (Property Care Association) contractors should provide the necessary credibility.

There are many different types of damp-proof course. To become familiar with them and see what they look like, download this free guide: http://tiny.cc/DPCs_free



BRIDGING OF THE DAMP-PROOF COURSE

Sometimes, suggestions of rising damp are actually caused by the existing damp-proof course getting bridged. Here are three ways in which this can occur:

- (a) by high ground levels or wall render on the outside
- (b) by the wall plaster on the inside
- (c) by debris inside the wall cavity (if there is one)

If you can't see the damp-proof course externally, it could be bridged by the surface of the ground. The correct position for ground levels is no higher than two brick courses beneath the damp proof course. If it is less than this, there is a risk of internal dampness and ground levels ought to be reduced in height.

If the wall has a render finish applied down to the surface of the ground, or covering the damp-proof course, moisture will travel through the render, bypassing the damp-proof course, leading to dampness on the inside. The solution involves raising the bottom edge of the render to above the damp-proof course and reconfiguring accordingly.

A band of dampness just above skirting board level is commonly caused by the bridging of the damp-proof course by the internal wall plaster. In older properties, if the plaster has been applied down to the surface of the floor, not only may the damp-proof course be bridged, but moisture in the floor can get transmitted into the wall. The remedy involves removing the skirting board, raising the bottom edge of the plaster to above damp-proof course level, then reinstating the skirtings. It may be necessary to replace the damp-affected plaster to avoid the salt contamination problem.

A cavity wall comprises two leaves of masonry held together by metal ties spanning across an air gap in between. During construction work, bits of mortar drop down each side of the wall. As the wall increases in height, an accumulation of mortar droppings can appear at the base of the wall. They can be cleared away, but not from within the cavity. There they remain and could create a bridge over the damp-proof course. The more clumsy the building contractor is, the greater the risk of a damp problem in the future. Removing the mortar droppings involves cutting bricks out of the wall to permit access.

SOLID GROUND FLOORS

Concrete ground floors in houses built before the late 1960s did not contain a damp-proof membrane, which means they will be slightly damp. It is usually tolerable, but in older properties, the floor may not even be formed in concrete. Sometimes they comprise stone flags, bricks or tiles laid directly over ash, sand or earth. These have a greater potential to cause dampness in the surrounding walls. The problem is exacerbated if the floor is covered by something impervious to moisture such as vinyl or linoleum. These create a

sweating effect as the moisture becomes trapped. Even worse damp may emerge from the joints and around the edges, adjoining the walls.

Dampness in an old floor may be managed by keeping the floor clear to allow evaporation of the moisture. If the dampness is too bad, the only remedy involves digging out the floor and replacing it with concrete, incorporating a damp-proof membrane and insulation. Not only is this work disruptive, it can be very expensive and there will not be any significant visual improvement once the work is complete.

TO BE CONTINUED ...

Next month, I will be talking about penetrating damp and how to prevent it.

Stuart has been professionally involved in property for 30 years and has carried out surveys of houses for the past 20 years. He is

a self-employed chartered surveyor, whose practice is regulated by RICS. He is also an author of numerous other publications covering aspects of surveying buildings and is imminently launching a house survey course for those wanting to understand what a surveyor does and be able to implement those skills themselves.



30 DEALS IN 30 DAYS CHALLENGE

HAVE YOU PROMISED YOURSELF THAT 2020 IS GOING TO BE YOUR YEAR?

WE START WITH A 'DAY ON THE PHONES' ON FRIDAY 07 FEBRUARY WITH THE CHALLENGE 'WHO CAN FIND A DEAL ON THE DAY'

There is still time to join the Elite Property tribe and to kick start the programme we are running a 30 Deals in 30 Days challenge. Even if you have never done a property deal before, now is the perfect opportunity to get involved in the fastest and most exciting property strategy, which allows you to simply deal with property **WITH NONE OF YOUR OWN MONEY!**

► **SOURCE**
► **PACKAGE**
► **SELL**

The challenge starts on Monday 3rd February

The Elite Property Tribe is a deal sourcing programme which concentrates on:

- 1 Training
- 2 Mentorship & Accountability
- 3 Community

2020 Property Deal Finding Direct To Vendor
bit.ly/EPT20WEB1

How To Find BMV Deals & Get Estate Agents To Call **YOU FIRST!**
bit.ly/EPT20WEB2



WHO NEEDS THIS SECRET?

- Are you an employee who would like to be your own boss?
- Are you a parent who would like to spend more time with their kids?
- Are you just getting by with money and want financial abundance?
- Do you want to silence the doubters that keep telling you to stay in your job?

If you answered 'yes' to any of the questions above, then you need to join the Elite Property Tribe (EPT).

HERE'S WHAT IT IS ALL ABOUT

- 52-week training, mentorship and accountability program that gives you the skill set and motivation to find and trade deals.
- Join a supportive community of motivated property investors that are determined to change their lives.
- Become a lead magnet that pulls in 6 to 10 leads a month using proven, low cost, sourcing techniques.
- Sell every deal that you source in less than 2 days when you JV with me for a profit of £5,000 or more.
- Come and spend a day with Arsh in his office on a **SHADOWING DAY**

YOU'VE GOT TO BE QUICK

The door to join the EPT only opens twice a year, in January and in May. The training starts on **Monday 3rd February** which is why **entry closes on 31st January 2020.**

The Elite Property Tribe is a mentoring programme like no other. It is one based on the philosophy of hands-on learning and being coached by a seasoned property expert, who will provide:

- Weekly live webinars, hosted by Arsh on a vast range of property sourcing strategies, including HMO, R2R, Lease options and developments.
- Weekly access to Arsh to discuss your progress and development.
- Quarterly meetups with keynote speakers.
- Dedicated property platform including key documents for success in property.
- Opportunities to JV with Arsh - monetise every lead.
- Highly supportive network or property professionals.
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YES, I WOULD LIKE TO JOIN THE EPT

To join the EPT today or for more information, please email arsh@arshellahi.com.

There is no risk to you because you are covered by my 100% Money-Back Guarantee.

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To your success,

Arsh Ellahi



THE BUY-TO-LET MARKET OVERVIEW

BUY-TO-LET IN 2020

By Chris Worthington

In keeping with the start of a new year, this month's edition of the market overview will look forward to the prospects for BTL in 2020. As usual, let's start with some basic facts and figures.

The latest UK Twenty Cities House Price Index published by Zoopla in association with property analyst company Hometrack shows that average house prices in the major cities increased by 4.4% per year during the past year. The forecast for 2020 is 3% per year, with above average growth in the most affordable regional cities where average house price to average earnings ratios are less than six. The average house price growth rate in London is forecast to be 2%.

Hometrack conclude that *"while the election removes some uncertainty, market fundamentals, primarily low mortgage rates and rising income set the context for housing affordability, city house price growth and market activity in 2020."* They also go on to say: *"While a new Government, and the prospect of a Brexit withdrawal deal becoming law in early 2020 will reduce uncertainty, neither of these will change market fundamentals."*

The latest Residential Property Forecast published by estate agent Savills includes a five-year forecast of growth in house prices based on growth in GDP, income growth and bank base rate. The forecast for growth 2020 is 1% rising to 4.5% in 2021 and 3% per year from 2022 to 2024.

The time taken to sell a house correlates strongly with the annual rate of house price growth. Generally speaking, cities with high year-on-year house price growth of 4%-5% such as Edinburgh, Manchester and Leicester sell in around six to eight weeks, while houses in Oxford, London and Southampton with house price growth at 2% or less take around 12 to 14 weeks to sell. (Source: UK Cities House Price Index.)

Turning to rents, Savills Residential Property Forecast predicts that average rents will rise in line with average income growth with an increase of 2% in 2020, and an increase of 3%-3.5% per year from 2021-2024 giving a total of 15.4% over the five-year period. The five-year forecast for London is slightly higher at 18.8%.

The above forecasts of house prices and rents suggest that BTL investors can remain confident of a reasonable return on their investment in the medium term with a year-on-year growth in both house prices and rents. The London house price market is forecast to continue with a modest level of growth after a period of stagnation, and rents in London are forecast to rise above the level of the average for the UK.

WHAT ARE THE OTHER FACTORS THAT COULD IMPACT ON THE BTL MARKET IN 2020 AND BEYOND?

The growth of build-to-rent is set to continue. According to a recent report from property consultancy CBRE, BTR is a rapidly growing asset class in the UK with investment volumes growing considerably each year, reaching £10.6 billion in the last five years. BTR in the UK started in London but has taken off in several other cities including Manchester, Birmingham and Bristol. Helen Gray, a senior director at CBRE, commented: *"For renters there is now much greater appreciation for the lifestyle offer of build-to-rent with a willingness to pay extra for convenience as well as a sense of community."*

“ This is clearly competition for BTL investors at the top end of the market, and it would be useful to find out more about BTR developments, both built and planned as part of the research, before making a new investment. ”

The current Bank of England base rate is 0.75%, and has been since 2nd August 2018. Capital Economics forecasts a cut in the base rate because of slow growth in the economy and a fall in the consumer price index. However Pantheon Economics take the view that while the window for a rate cut has now passed, the forecast increase in public spending and growing wage packets will push inflation to 2%, and lead to a possible increase in the bank rate to



1% in the second half of 2020. (Source: The Economy News Ltd.) For BTL investors looking to re-mortgage or make a new investment, a total of 1,909 mortgage products are currently available from 49 lenders. (Source: Mortgages for Business.)

Normally in the BTL market overviews, I do not report on relevant government legislation until it is on the statute book. However since this article is looking forward, I will include the government's manifesto commitments for housing and the private rented sector with the caveat that I cannot be certain if they will be enacted and if so, when.

The section of the manifesto that addresses the housing market in general includes yet another target for new housing – one million new homes over the life of the parliament with not much of any substance in the manifesto to support it. Similar targets set by previous governments have been missed by considerable margins, so it seems likely that growth in the private rented sector will continue to take up the slack.

IN THE MANIFESTO THE GOVERNMENT PROPOSES A "BETTER DEAL FOR RENTERS" THROUGH THE FOLLOWING MEASURES:

- Abolishing no-fault evictions
- Creating lifetime deposits that move with the tenants
- Protection from revenge evictions and rogue landlords
- Strengthening rights of possession for good landlords

May you live long and prosper!



Chris Worthington is an economist with 20 years of experience in local economic development. You can contact him via email on chrisworthington32@yahoo.com



THE ESTATE AGENT'S LITTLE BLACK BOOK

ARSH ELLAHI

Hi Arsh,

I have just started out and I am spending a lot of time meeting with estate and letting agents. I met someone at a networking event recently who mentioned that estate agents have a little black book for preferred clients.

Is this true? If so, how can I get in there?

Mrs E, Dudley

Thank you for getting in touch Mrs E, and before I begin, allow me to wish you every success on your property journey.

I speak bluntly when I say that estate agents are a law unto themselves. They hold a certain amount of power and can certainly make you aware of that, especially when it comes to purchasing a property. I have been in situations where I have been the highest bidder, yet still could not purchase the property as they felt the other purchaser was a better suit for the property and the owner.

If I were in your shoes I would consider the steps below, which will help you increase your property knowledge as well as build rapport with the estate agents in your area.



STEP 1 SPEND TIME GETTING TO KNOW THE PATCH

I am confident nowadays that I know the majority of Wolverhampton when it comes to property. I could pretty much tell you the values of the properties in the different areas throughout the city for sales and rentals.

I am not saying that you have to go and speak to every agent and annoy them, but rather, that you do something as simple as setting email alerts on Rightmove, Zoopla and On The Market property platforms. Every day, when the agents upload properties, you will be instantly notified by email, and over a short period of time, you will become familiar with prices and property types. If you set the alerts up correctly, you will also be notified when a property has reduced in price. You can then use that information to your advantage, as this will reveal some motivation from the vendor's side.



STEP 2 MEET THE PEOPLE IN THE BRANCH

Estate agents like to do business with people who they like and trust.

I believe it is extremely important to take the time to meet the sales and letting negotiators at their branch. It will give you an idea of the environment they work in – does the office operate at a fast pace? Is it chaotic or a relaxed and quiet space? The environments will also determine how the agents deal with you. By this, I mean that in an agency where the phones are ringing constantly, agents will only want to spend a short amount of time with you as they may be missing other opportunities, whereas in a quieter office, they would probably like to get to know your requirements in greater detail.

When you arrange to meet the agent, go with the intention of making an impression. Now, I am not saying that you turn up in a bright yellow suit, but you should carry yourself in such a manner that the agent leaves the meeting feeling energised and refreshed that you will be able to work together in a positive way.

You can do this by following Step 1. Go into the meeting with some knowledge of the area as well as an understanding of what kind of property you are looking for. Don't say that you're open to any house at the right price, because they will have heard this millions of times and you'll be seen as "just another one of those investors".

Your criteria may be:

- You are after a four-bed house that may lend itself to become a multi-let
- You are looking for a property that needs refurbishment
- You are hunting for a property where you can add value

STEP 3 UNDER-PROMISE AND OVER-DELIVER

I cannot even begin to explain how important this is. This is what will get you into the agent's black book. Steps 1 and 2 will help you build knowledge and start building rapport, but this step will cement your future with the agent for years to come and the property deals will be a consistent flow.

If you ask any estate agent, what is the biggest gripe they have with property investors, the majority will answer that all investors pitch:

"We are a cash buyer and we can exchange within seven days."

They use this as their hook to get an avenue into the property, but shortly after the offer is accepted, the agent receives a call from

a surveyor requesting an appointment for a mortgage survey for the property.

The agent instantly loses trust in the investor because they lied about having ready funds available.

When I deal with an agent, I am very upfront with them and explain exactly how I operate. If I require funding to purchase the property, I will declare that from the outset, but I counterbalance this by always providing a decision in principle from the lender. This shows my transparency but also provides them with confidence that the process has started prior to finding the deal.

I would also make a point of checking in with the agent weekly or fortnightly to keep them updated as to where we are with the

purchase. It is being proactive as opposed to the agent having to call and chase me for an update.

As a deal sourcer, I am also upfront with the fact that I am not the ultimate purchaser, but that my role is to find a person from my database to buy the property. Again, I will not look at all the properties that come through, only those within the set of criteria that I have

defined, as I mentioned above.

Up until the point of one transaction completing, the agent will always assume it is going to fail. After all, they have seen it happen time and time again. However, if you do as you say, then the agent starts to build a level of trust in you, which leads to them showing you more properties.

Finally, it is always nice to pop in to see the agent after a purchase with a small thank you present. Little gestures like a box of chocolates or a bottle

of wine will again make an impression and you will not be tarnished with the label of the tight-fisted investor.

These are the starting points of getting into the **ESTATE AGENT'S BLACK BOOK**.

“Never commit to a timeframe. Especially if purchasing with funding as you won't know how long the lender will require, or any enquiries they may raise.”

There are many ways to work with agents. In February 2020 I open the doors to the **Elite Property Tribe** which teaches how to source properties nationwide and create a funnel of deals including below market value deals, rent-to-rent opportunities, lease options, development opportunities and much more. For more info, visit **Bit.ly/EPTINFO** or **Bit.ly/EPT2020**.

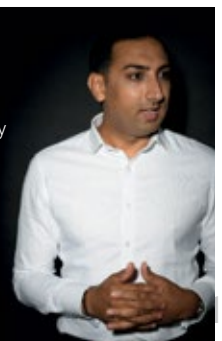
If you have a question you would like me to answer in next month's article, please email me: **arsh@arshellahi.com** and I'll aim to answer as many as I can over the coming months.

CONTACT

As always, you can connect with me on my social feeds by finding me on:

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Finally, to get access to all my updates and whereabouts, please sign up to my weekly newsletter at **www.arshellahi.com**



MORTGAGE UPDATE

**Stuart
Yardley**
Trafalgar Square
Financial Planning
Consultants

Stuart Yardley presents a monthly round-up of what's happening in the mortgage and finance markets.

HMO FINANCE

As we are now entering 2020, I thought I would provide an updated overview of the HMO mortgage market. This is a huge area for financing as investors look at different ways to increase cashflow, and the options can be quite complex.

When we are looking at HMO finance, each lender has their own criteria and the financing options are very much driven by four key factors.

- **Is this already a licensed HMO or are you turning it into a licensed HMO?**
- **Landlord's experience**
- **Valuation/purchase price**
- **Number of bedrooms**

Existing HMO or creating an HMO?

There are a few key questions to determine how HMOs can be financed with regard to the initial purchase.

If you are purchasing a property that you are going to turn into a licensed HMO, you will need the works completed and have applied for the licence before an HMO lender will lend. This means investors need to purchase first with cash or bridging finance, complete the conversion and then apply for the licence. Once this has been done you can apply for an HMO mortgage.

The exception to this would be if you are purchasing an HMO that is already licensed, in which case HMO mortgage finance can be considered on day one for the purchase. This process has been improved with the relaxation of the six-month ownership rule for refinancing by Kent Reliance. They now allow you to refinance as soon as the property is refurbished and the licence has been applied for, which speeds up the process and limits bridging costs.

If you are looking at smaller HMOs, for example a three-bedroom/two-reception house, and you are planning to use one of the reception rooms as a bedroom to create a four-bed HMO, we can consider HMO mortgage finance from day one, even for a first-time landlord. This is assuming that there are no other specialist licensing requirements in the area.

If you want to convert a house to a licensed HMO, there are a few different bridging options you can look at, from the specialist bridging lenders to the banks. Precise Mortgages also have an option where they will consider a bridge-to-HMO lending option.

LANDLORD'S EXPERIENCE

Most of the HMO lending options require you to already have landlord's experience. The typical criteria for an HMO of up to seven or eight bedrooms is that you have lettings experience for a minimum of 12 months. There is an exception to this though with Kent Reliance, who are still happy to consider HMO finance for any existing property owner.

The mainstream HMO lenders will generally look at HMOs up to seven or eight bedrooms, but typically with a standard layout – so one kitchen and a communal living area.

As the HMOs increase in complexity, or you are targeting larger HMOs or properties with self-contained units, the level of experience required increases as the lending moves towards commercial finance.

PURCHASE PRICE/VALUATION

The majority of the specialist HMO lender options require a minimum valuation of £100,000 but this is slowly improving. There are now options available for HMO finance with a minimum valuation of £75,000, through personal or limited companies. If you are looking at an unlicensed HMO up to four bedrooms, then Skipton Building Society will consider finance down to a minimum value of £50,000, but this is only available in personal names and not via a limited company.

NUMBER OF BEDROOMS

Most of the mainstream lenders will consider an HMO up to seven or eight bedrooms that is generally still a standard house, ie one kitchen and a communal living area. As a rule, when you are looking at larger HMOs or properties with multiple kitchens or self-contained units, you are looking at the more specialist HMO or commercial lenders.

For these larger properties, experience required will be (although this varies) between 12 months' HMO experience of a similar sized HMO, or three years' lettings experience depending on the lender.

HMO LENDERS

As there is a wide range of lenders within this specialist market, from the high-street lenders to the specialist HMO lenders and commercial banks, I thought I would show a few lender examples from each sector.

Leeds Building Society is one of the high-street lenders who have a range of products for investors who want to finance an HMO property. They have improved their criteria recently, and now have a range of products for HMO properties up to six bedrooms, and a new range for the larger HMOs up to eight bedrooms. Borrowing is only available in personal names and not via a limited company, but they will also instruct a commercial yield-based valuation on all large HMOs over six bedrooms.

Key Criteria:

- Maximum portfolio size of 10 properties, irrespective of lender
- Available for properties in England, Scotland and Wales
- First applicant must be a residential homeowner and an experienced landlord
- Maximum of eight lettable bedrooms
- Minimum valuation is £100,000 or £250,000 in London
- Lending available up to 75% of the purchase price or valuation

Products include:

Small HMOs up to six bedrooms ...

75% loan to value/purchase price

- 3.39% 2-year fixed – £999 arrangement fee

70% loan to value/purchase price

- 2.79% 2-year fixed – £999 arrangement fee
- 3.19% 5-year fixed – £999 arrangement fee

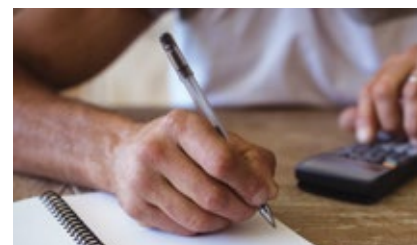
Large HMOs over six bedrooms ...

75% loan to value/purchase price

- 3.45% 2-year fixed – £1,999 arrangement fee

70% loan to value/purchase price

- 3.34% 2-year fixed – £1,999 arrangement fee
- 3.54% 5-year fixed – £1,999 arrangement fee



KentReliance

Kent Reliance have a full range of products available for multi-let/HMO properties with up to eight bedrooms. They are a great option for investors who are new to this specialist area and looking for a standard HMO to add to their portfolio. Properties must be set out as a standard house and have a maximum of one kitchen and a communal living area as a general rule, but this can be a kitchen/diner.

Key Criteria for Kent Reliance:

- Range of products available up to 85% loan to valuation/purchase price
- Refinance within six months of ownership where value has been added. Maximum 75% of the increased valuation
- £50,000 minimum loan if the loan to value =< 75% or a minimum loan of £100,000 if the loan to value is >75%
- Must be a residential homeowner or existing BTL landlord
- Maximum loan to value of 80% for first-time landlords

- Lending available in personal names or limited company
- Up to eight bedrooms acceptable
- No minimum income – self-employed must have a two-year trading history and employed three months in their current employment
- Lending available in England and Wales only

65% loan to value/purchase price

- 3.19% 2-year fixed – 1.5% arrangement fee added

75% loan to value/purchase price

- 3.39% 2-year fixed – 1.5% arrangement fee added
- 3.79% 5-year fixed – 2% arrangement fee added

80% loan to value/purchase price

- 3.69% 2-year fixed – 1.5% arrangement fee added
- 4.39% 5-year fixed – 2% arrangement fee added

85% loan to value/purchase price

- 4.59% 2-year fixed – 2.5% arrangement fee added
- 5.29% 5-year fixed – 2.5% arrangement fee added



Precise Mortgages have a full range of products available for multi-let/HMO properties that have up to eight bedrooms. They are a great option for investors who have existing BTL experience and are looking to either move into this area or refinance an existing property.

Key Criteria:

- Range of products available up to 80% loan to valuation/purchase price
- £100,000 minimum purchase price/valuation or £250,000 in London
- Must be an existing landlord with a minimum of one BTL held and let for 12 months
- Lending available in personal names or limited company
- Up to eight bedrooms acceptable
- No minimum income – self-employed must have a one-year trading history and

employed three months in their current employment with 12 months' continuous employment

- Maximum of one kitchen in the property
- Lending available in England, Wales and Scotland (some postcode restrictions)

Interest rates available include:

75% loan to value/purchase price

- 2.79% 2-year fixed – 0.5% arrangement fee added
- 2.89% 2-year fixed – £995 arrangement fee added
- 3.19% 5-year fixed – 2% arrangement fee added
- 3.34% 5-year fixed – £1,995 arrangement fee added

80% loan to value/purchase price

- 3.49% 2-year fixed – 1.5% arrangement fee added
- 3.84% 5-year fixed – 1.5% arrangement fee added

Precise are another good lending option for the investor who is looking to finance a simple HMO and enter this specialist market.



Paragon Mortgages are an established lender

who have a full range of HMO products for the landlord with a minimum of three years' experience. They will, however, consider the larger HMOs and properties that have a non-standard layout, such as multiple kitchens or self-contained units.

Key Criteria:

- Range of products available up to 80% loan to valuation/purchase price
- £100,000 minimum purchase price/valuation for up to 10 rooms
- £150,000 minimum purchase price/valuation for up to 20 rooms
- Must be an existing landlord with three years' lettings experience
- Lending available in personal names or limited company
- Up to eight bedrooms acceptable
- Minimum £25,000 provable income required
- Self-employed/company directors must have two years' trading history
- Employed applicants must be in permanent non-probationary employment

Interest rates available include:

75% loan to value/purchase price

- 2.85% 2-year fixed – 1% arrangement fee added – free valuation, no application fee and £350 cashback
- 3.45% 2-year fixed – no arrangement fee added – free valuation and no application fee
- 3.70% 5-year fixed – no arrangement fee added – free valuation and no application fee

80% loan to value/purchase price

- 3.65% 2-year fixed – 0.25% arrangement fee added – free valuation, no application fee and £350 cashback
- 3.85% 5-year fixed – 0.5% arrangement fee added – free valuation and no application fee

Paragon are a good lender for the experienced landlord who is looking to add a larger HMO to their portfolio or refinance an existing property.

OTHER LENDERS

We then move onto the commercial lenders such as Shawbrook Bank, Aldermore Bank, Interbay, Cambridge and Counties (as examples).

The commercial banks will all consider HMO finance for experienced landlords and they will be able to assist when you are looking at financing large HMOs or properties with a complex set up. They will also consider properties that contain a commercial element.

As you can see, there are many options available when you are looking to finance an HMO, and I would recommend speaking either to myself or to your broker to discuss your individual circumstances.



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LEGISLATION UPDATE

By Mary Latham

THIS MONTH'S UPDATES ...

- Rental supply
- Renters' Reform Bill
- Tenant Fees Act
- Letting agents and maintenance companies
- Home (Fitness for Human Habitation) Act 2018, relating to mould
- Landlord licensing



A CRISIS IN RENTAL SUPPLY?

"Rental supply crisis warning comes as RICS survey shows sharp decline in landlord instructions" ...

This interesting article from Landlord News in December went on to say:

"The latest Residential Market Survey by the Royal Institution for Chartered Surveyors has been released. It shows a net balance of -29% of surveyors reporting a fall in landlord instructions. This is twice the negative rating that was reported in November 2018.

With tenant demand continuing to increase, RICS predicts that this will lead to rent increases of around 2% over the next year and around 3% a year over the next five years."

(Source: <https://www.landlordnews.co.uk/rental-supply-crisis-warning/>)

Supposing this is the situation, where does that leave the landlords who intend to continue investing in UK rentals?

It goes without saying that an increase in demand is good for any business but unlike many businesses most private landlords have a limited number of properties to rent. Therefore an increase in demand offers us the opportunity to be more selective when choosing tenants and to increase our rents to give a better margin. This is very helpful when we are facing increases in costs that are outside of our control.

I am not going to talk about increases in taxation caused by the loss of tax allowances but this, of course, has had a major impact on the income of many landlords.

In my January article I spoke about the number of properties being lost to the traditional market because landlords are offering them to house vulnerable tenants, and the impact this is having by way of loss of rooms available to those who are on LHA or low income. I also spoke about the number of family homes that have been lost because of the increase in properties being developed into HMOs even where there is no longer a good demand. Add to this the number of properties being offered as serviced accommodation and you can begin to see that it is not only the fact that less investment is going into the private rented sector in the UK, it is what those properties are being used for which is reducing the amount available to the traditional tenants.

Having said this I am not convinced we will necessarily see a big increase in demand because there is a lot of activity on the supply side which will soak up some of that demand:

Purpose-built student accommodation

29,000 bed spaces were completed in 2019 – an increase of **25% on 2018**.

There are **14,000 bed spaces in the pipeline for completion in 2020**.

68% of those under construction are 'cluster flats', which are actually HMOs, with a reduction in the number of self-contained studios. This is believed to be due to the need to reduce rents.

You can read the full report, which contains some very interesting breakdowns by university towns: <http://bit.ly/YPN140-ML-1>.

Other purpose-built accommodation

The number of retirement apartments and other BTR accommodation is continuing to increase. According to a report by Savills, the BTR sector will grow in value, rising from £9.6 billion to a potential £543.6 billion.

Through the Housing Infrastructure Fund, the government has allocated £3.07 billion to unlock over **280,000 homes**.

In 2018 the number of **first-time buyers** reached nearly **360,000** – an 11-year annual high and an **increase of 84%** since 2010.

We cannot ignore those statistics because any increase in supply, in any sector of the market, will eventually impact upon smaller private landlords.



Renters' Reform Bill

See Queen's speech December 2019
Background Briefing Notes: <http://bit.ly/YPN-140-ML2>.

"New measures will be brought forward to protect tenants ..." The purpose of the Bill is to: introduce a package of reforms to deliver a fairer and more effective rental market.

"The government's Better Deal for Renters will fulfil our manifesto commitments to abolish 'no fault' evictions and to introduce lifetime deposits, alongside further reforms to strengthen the sector for years to come."

No surprises here. I wrote about how to cope with losing Section 21 and the government's plan to **"overhaul the whole eviction process to encourage longer tenancies"** back in June. I am still confident this will include some "no fault" grounds in a probable overhaul of **Section 8**. I hope they will also include some grounds that do not need a court hearing, but will need strong evidence for a judge in chambers to issue an Order for Possession as is possible now in some Section 21 cases.

I expect we will see the Bill by the summer. At that point I will write about this again because it is a massive change for private landlords.

Lifetime deposits would mean a **national custodial scheme where all deposits are lodged by tenants and the interest of their current landlord would be noted** – or something similar. I have written about this in the past. It may solve some of the issues landlords get involved in, but it will potentially be complicated on a change of tenancy where landlord A makes a claim and the deposit needs to be assigned to landlord B. We will see.

As we get back to business as usual, what else can we expect?

Tenant Fees Act

A landlord colleague shared the following information with me and I am writing this with her permission.

- **A tenant decided he was going to move out of an HMO after month two of a six-month tenancy.**
- **Sure enough, the landlord had a request from an agency for a reference for the tenant, who was now trying to rent a house.**
- **The landlord told the agency that the tenant had signed a six-month AST and was only two months in, therefore she hadn't known him long enough to give a reference and wouldn't be comfortable recommending a tenant who didn't intend to meet the terms of a contract.**
- **The agency told the tenant that he had failed the landlord reference and would not be offered the house – the tenant told the landlord.**
- **A few days later the same thing happened with the same result.**
- **AND a few days later a third reference request came, with the same result!**

Why am I writing about something so mundane? Every one of the three agents withheld the tenant's full holding deposit (one week's rent, around £200) on the grounds that he had failed referencing.

The only time that the holding deposit can be retained is if the tenant gives the agent/landlord inaccurate information which causes the referencing process to fail. Technically the tenant had allowed the agency to believe that he could take up the tenancy, but I doubt any of these agents would get away with keeping the whole holding deposit in this situation because the tenant obviously did intend to take up the tenancy. His issue would be with the first landlord and nothing to do with the second.

Letting agents setting up maintenance companies

Many letting agents have had to rethink their business model. Some have simply increased their charges to landlords, others have gone for new income streams. But something a little more "subtle" is setting up a separate company to deal with maintenance and repairs for their landlords.

This means that, rather than arranging contractors and passing on the invoices to the landlord, they charge through their maintenance company with an additional, undeclared markup. This isn't new but it has now increased and I'm still processing how I feel about it. I would expect to pay more, because I understand that agents need to cover the loss of tenant fees. But would I rather pay an agreed increase in the letting and management fee than find myself with an invoice that is obviously marked up? It feels too much like being hoodwinked.

I will be watching for landlords' feedback on this, especially when the end of year accounts show the increase in costs for this year.



More licensing

There is no doubt that we will see more licensing/fundraising by local authorities.

Let me share a story told to me by a Nottingham landlord, which I am again sharing with her permission.

When **Nottingham City Council** were granted **Secretary of State permission to introduce selective licensing across most of the city**, landlords were shocked and needed to understand how this was justified. Nottingham News ran this story:

"Shocking pictures reveal housing horror stories behind

selective licensing decision"

The article went on to show to horror pictures and quoted an Environmental Health officer:

"95 percent of landlords are good people. The five percent that are letting us down are the ones we will be ruthlessly hunting for."

At the next quote ... wow!

"The rogue landlords we are dealing with now are criminals, they're not just bad landlords. They are operating illegal taxis, they are knowledgeable about prostitution

and cannabis grows in their properties, they are dealing with illegal tobacco, illegal car clocking – the crime aspect is huge."

(Source: Nottingham Post <http://bit.ly/YPN140-ML3>)

Silly me! I didn't know we were planning to **replace the whole law enforcement system with selective licensing ... who knew it was that simple!**

My colleague put in a **Freedom of Information Request** relating to the photographs published at the source link above, asking:

1. **What is the property address where these photographs were taken?**
2. **When were these photographs taken?**
3. **What type of property is this? Single let/HMO/other, please specify.**
4. **Was the property occupied at the time these photographs were taken, if not when was the property vacated?**
5. **If the property was tenanted, what action was taken against the landlord?**

The cheeky monkeys replied by asking what the landlord intended to do with the information. The landlord asked them to clarify whether the replies to a **Freedom of Information Request** were confidential and whether there was a legal obligation for her to tell them what she intended to do with the information. The council confirmed that the answers to both questions was 'No' and eventually provided the information requested.

I have read all the correspondence in this case. I respect the landlord for taking appropriate action that will be helpful going forward, but will not stop selective licensing being introduced.

The information revealed that the property had been an HMO but that one family had moved out because the landlord had begun to carry out extensive works. At the time the photographs were taken, two years earlier, the property did not need a licence.

All this is shorthand for the fact that they had sufficient powers to force this landlord to repair the property and had served an **Emergency Prohibition Order** at the time of their inspection – yet they raked up two-year-old photographs to prove they needed to introduce extensive selective licensing. **Shame on them for bending the facts.**

What we **didn't** hear in the Queen's Speech was "rent control" nor "three-year tenancies". There is hope for us yet.

Mary Latham is the author of **"Property for Rent – Investing in the UK: Will You Survive the Mayhem?"**



Dealing with mould (Home (Fitness for Human Habitation) Act 2018)

As predicted, MOULD is the biggest issue.

I am a believer in "prevention is better than cure" and this legislation will prove this is the best way forward. I am already hearing about damp and mould during a very mild December.

The following is my best advice learned over 48 years as a landlord. When it stops being about making more money, avoiding hassle becomes a very important part of a property investor's game plan.

- Accept that you cannot control tenants' behaviour – no matter what your contract says, they don't open windows and only use the amount of heat that suits them where they are paying the bills.
 - Don't save a few pounds by controlling the temperature or turning off the heating when you are charging an **all-inclusive rent** – I have written about the number of laws you break by doing this in past articles. The cost of cleaning up damp and mould is going to be far more, including losing tenants, than the cost of the gas for the winter months.
 - **Fit trickle vents** on ALL the windows and take off the closing mechanism
 - From April you will need an **EPC of E or above** to legally let or continue to let any property even to your long-term tenants unless your property is registered on the Exempt Register. An E rating should mean that it is well insulated, which will reduce the chances of mould.
 - If you provide a washing machine, provide a washer/dryer. If you don't, provide continental-style drying racks which are fixed to the ceiling and take up no space. Put in air bricks close by and install a mechanical humidity-controlled extractor.
- Use **Glixtone Funghishield emulsion**, made by Carrs Coating in Redditch and available from Selco. It costs a little more but is worth every penny, **mould cannot grow on it**. I won't use anything else and I don't get mould in my properties.
 - Use **plastic wallboards** on bathroom ceilings (or **soffit boards** upside down for a cheap option). Use **Aqua boards** or similar on walls unless you enjoy cleaning grout.
 - Use good **quality silicone sealant** around showers, baths and basins and clean it by placing cotton wool soaked in bleach on top of it for 12 hours then remove and rinse.
 - If you must have tiles, don't wait for the grout to go black. At the first sign of yellow or orange discolouration, spray it with **HG or Cillit Bang Mould Remover** (not tile cleaner – it's too late) and remove as instructed on the packs.
 - For dampish cupboards and wardrobes – usually backing onto outside north facing walls – put a small **container with 5cms deep of rock salt** into a corner and it will draw the moisture. Empty when needed and replace the **rock salt**. If it's filling up very quickly, investigate the cause. Most likely external brickwork or rainwater goods need to be repaired.
 - If your property is empty during cold weather put washing up **bowls with five centimetres of rock salt** into the middle of each room to keep the rooms from becoming damp, and of course leave some heat on low.
 - If all else fails clean the mould with a **weak solution of bleach** and emulsion with **Glixtone**.

Above all don't turn a drama into a crisis and don't ignore 'tenant caused' issues because they can bite you on the b** – especially under this new legislation.

TENANCY INSPECTIONS:

SHOULD YOU TAKE PHOTOGRAPHS? BY DAVID LAWRENSON of LettingFocus.com

Should you take photographs when you do tenancy inspection visits of your let property?



This can be tricky.

For our properties, we aim to do an inspection visit around three months after the start of a tenancy and then once more after another six or 12 months.

If these initial visits give us confidence the tenants are looking after the property well and they promptly spot and report to us anything that needs attention – such as a missing roof tile or a broken gutter – we will then leave our visits to once a year at most. Even then, we will only inspect the property from the outside.

I prefer it this way because I know tenants want to feel it is their home – which, of course, it is.

When a tenant is leaving, we will always come round and inspect in the last month of the tenancy, so that the tenant has a chance to fix anything they have broken (or, if it is down to us, so we can fix it in good time for the next tenant and for viewings).

We will only inspect more frequently if we are less sure about the tenant's ability to look after their home properly – at least once every 12 months going forward.

And for all tenants, good or bad, each autumn, I will send them our guide on how to avoid condensation leading to damp. This acts as a useful reminder, and is especially relevant for tenants coming from hot countries to the UK for the first time. They need to understand that it is sometimes important to ventilate properly so that moist air does not stay in the house, creating condensation that leads to damp.

We have a detailed checklist we use for our tenancy inspection visits, and we follow it very carefully. My preference is for tenants to be in when we do these visits, as one can always learn a lot on all sorts of matters – especially any issues in the local area. It pays to keep your ear to the ground! The visits are never wasted. There is often something going on locally that may bug tenants, but which they don't feel obliged to call you about. But at a visit it may get mentioned, and you may be able to help get it sorted.

One potentially contentious issue is whether or not to take photographs of anything that relates to the property.

We would say it is okay to take photos of anything which is damaged, only if the purpose of the image is sending it to whichever contractor is going to do the repair.

We would take photos of anything that is related to tenant lifestyle too. By doing so, you can prevent accidents or damage in the future. These images could also act as a defence in case of damage to the property, necessitating a possible future deduction from the tenancy deposit at the end of the term.

For example, if a fire escape is blocked, we would take a photo of that. If the tenants are drying clothes on radiators and causing damp and mould, we would take a photo of that too. A distance photo would be appropriate here, not a close up.

You should avoid taking photos that show any of the tenant's personal possessions, and of course, there is no need for anyone

to be in any photo. Doing so at a tenancy inspection visit or any other visit, could be deemed to be an invasion of a tenant's privacy and a breach of their right to quiet enjoyment.

Tenancy inspection visits should be followed up with an email communication, highlighting anything the tenant needs to do or what we will action. Where necessary, this will include photos too.

Of course, in addition to these inspection visits during the tenancy, a detailed inventory is also done at the start and at the end of the

tenancy by an independent, professional inventory clerk. This comprehensive document will include photos and detailed descriptions of everything in the property and comment on the state of the cleanliness too.

Without such a before and after tenancy inventory document, a landlord would be unable to make a case

for deductions from a tenancy deposit if the tenant decided to contest any such move.

If you use an agent to do inspections for you, you should be seeing at least a brief report on their visits. If all is immaculate and the tenants are responsible, you should consider requesting less frequent visits and a cut in the letting agent's fee. If you are interviewing different letting agents to do the tenancy find and management work for you, you should ask to see a sample of their inspection and inventory reports.

There is a longer guide in my book "Successful Property Letting" to all of this.

David Lawrenson is the founder of LettingFocus.com and an independent expert and consultant in residential property investment. He specialises in providing independent advice on BTL and property investments. Contact him at david@lettingfocus.com

He is the author of two books: "Successful Property Letting - How to Make Money in Buy to Let", and "Buy to Let Landlords Guide to Finding Great Tenants".





A NEW DECADE... AND MORE CHANGES AFFECTING LANDLORDS

GRAHAM KINNEAR

2020 is proving to be another year that will see further regulation impacting the private rental sector. Whilst the threats of a tenant's right to buy and stringent rent controls appear to have subsided at least for the time being, there are a number of changes which do come into force this year.

MARCH EXTENSION TO FITNESS FOR HUMAN HABITATION ACT

Of the announced changes, the first will be implemented in March and is an extension to the Fitness for Human Habitation Act, which was originally introduced last year. Its aim was to ensure that rented property is both safe and secure. The 2020 changes mean that from March 20th 2020, the rules will apply to existing periodic tenancies. The rules will apply only in England (there are separate rules for Wales) but will allow the tenant to take legal action against their landlords.

It is therefore critical that you inspect your properties and ensure any significant defects are attended to. Pay critical attention to damp, ventilation, heating/hot water and security. Your local authority may be happy to undertake an inspection under the HHSRS rules to establish whether you are compliant. Non-compliance could lead to a court order enforcing you to undertake works and could additionally see you paying damages to your tenants.

APRIL CHANGE TO MINIMUM ENERGY EFFICIENCY STANDARDS

April will bring a significant change to the Minimum Energy Efficiency Standards (MEES). The change means that the rules will cover existing tenancies and therefore those properties which are not exempted and which currently have an EPC score of 38 or less (ie, Band F or G), cannot be legally

rented out. There is a requirement that the landlord must spend £3,500 to improve the energy rating before an exemption application can be considered.

There are a considerable number of properties which currently fall into this category, so you should review your portfolio and take swift action to rectify any issues prior to April. I suspect lenders will be looking closely at this as their customers' inability to rent the property will significantly impair their ability not just to meet their mortgage obligations, but also their chances of being able to sell the property at a fair price.

APRIL NEW CGT RULES

April also sees the introduction of new Capital Gains Tax (CGT) rules for property investors. CGT is a tax paid on profit of a property that is not your main or principal residence. The rules will therefore affect the sales of investment property.

Under the existing rules you do not pay tax for the years that you lived in the property, plus the last 18 months of your ownership. From April, this so called "lettings relief" is abolished and the 18-month allowance will be reduced to nine months. A further change means that following a property sale, the tax due will need to be paid within 30 days rather than the end of the tax year.

APRIL END OF CLIENT MONEY PROTECTION GRACE PERIOD FOR AGENTS

April, being the start of a tax year, is often the month where changes are introduced. This April also sees the end of the grace period for agents to have Client Money Protection in place. The rules were introduced a year ago, however a further 12-month period was given for compliance to be implemented.

Landlords who perhaps manage a couple of properties for fellow investors or property sourcers who accept client money for reservation fees may not necessarily believe they are agents, but the rules would

suggest otherwise.

If you act on behalf of another, then you will likely be considered an agent and must have Client Money Protection in place.

JUNE TENANT FEES ACT — EXISTING TENANCIES

The month of June brings the further implementation of the Tenant Fees Act. Whilst it was introduced in 2019, it is extended to cover existing tenancies as well as newly created ones from June 2020. This piece of legislation prohibits the charging of fees other than rent, deposit, holding deposits and charges for defaulting on the contract. Penalties for non-compliance are £5,000 for a first offence and £30,000 for any further breaches.

FORTHCOMING CHANGES...

Once you have your head wrapped around these new changes, bear in mind that the government have also committed to the introduction of the Renters Reform Bill, which is aimed at providing a raft of reforms to make the private rental market fairer. This legislation, once introduced, is likely to confirm the abolition of Section 21 notices and may also include some additional measures.

If nothing else, this year's changes demonstrate the need for property investors to continue to develop their knowledge base and business model in order to accommodate a changing marketplace and operating environment.

And to think some people think being a landlord provides a passive income!

As always I am happy to assist readers of YPN and can be contacted on

01843 583000 or graham@grahamkinnear.com

Graham is the author of "The Property Triangle".



STRESS FREE EVICTION?



When I first got into property, I overheard an older and wiser investor say that property wasn't about property at all; it's a people business. I was young(er) and naïve, and so I dismissed her comment.

But as the years rolled by, I came to realise that property is actually all about the people you're dealing with each and every day – the landlords, the agents, the tradespeople and

especially the tenants. You only really get to find out if your tenant's a bad'un at the end of the tenancy.

We've all heard the horror stories but I can happily report that we've never had to formally evict a tenant from any of our 125 rooms in over seven years. Why is this? It's due to several reasons...

1. We're very careful who we let into our houses and into our lives. Like any relationship, what starts with laughter could end with tears, and as you're also entering into a financial arrangement with a complete stranger, it's imperative that you take your time and get it right.
2. We manage the tenancy very closely and respond to enquiries and complaints instantly. If a tenant is late with the rent or the boiler breaks down and you don't respond for 10 days, all you're doing is telling the tenant you don't care and you're training them to have the same attitude.
3. We use ethical bribery to move any bad apples on as quickly as possible. The key here is to find out what exactly they need, and the problem is that they very rarely offer this information up freely.

THE TALE OF DOMINIC

Dominic (name changed) was our longest staying tenant and was utterly charming when Emily signed him in many moons ago. Over the years, our property managers Will and then George, have had to deal with his many antics, which have included repeatedly smoking in the house but never caught red-handed, being progressively late with the rent, being messy, intimidating the other tenants plus a few other misdemeanours.

But eventually the day came when we could issue Dominic a Section 21 to vacate the property. He was seen smoking weed in his room with a friend whilst leaning out of the opened window. He was spotted by George from the street as he walked past and was completely oblivious that he'd been caught until our email arrived in his inbox.

You might be wondering why it took us so long if he was such a serial offender. The thing about Dominic is that he was suave, ruggedly handsome (so I'm told), mildly sophisticated, a real charmer and very persuasive ... to the point of being manipulative. And that places a dark shadow over what could be a light-hearted situation. Dominic was also as slippery as a wet eel on a rainy day and always had a convincing sob-story to tell.

We knew we had to act when two good tenants vacated the property where Dominic lived within a month of each other, both citing Dominic for his intimidation, continual mind games and scheming antics. There were also reports of his general meanness towards his girlfriend and his total disregard in maintaining a clean house. In fact, the more the other tenants asked him to clear up his mess, the more he made, out of spite. His rent was often a week late and Dominic was the only person we allowed to do his as he had been with us for so long – a big mistake! Then it started getting later and later, until at one point it was 21 days late with no apology and Dominic was being evasive.

We decided enough was enough and it was time for dear old Dom to move on.



No-one was looking forward to the inevitable phone call that would follow the email, and so we drew straws on who would answer. Unfortunately for me, I got the short one (I'm sure Will fixed it!) and sure enough, that same afternoon I had a very upset Dominic on the phone, using every trick in the book to get me to change my mind.

When he literally started bawling his eyes out on the phone and telling me about his sick father at home in France, his severe shortage of money, the terminal argument with his girlfriend and how he considers the house his one true home and the housemates to be the first real friends he has ever had ... I must confess that I cracked and said: *"Look, Dom, this is obviously a bad time, I'll call you back again tomorrow."*

Later, I was relating to Will how Dominic got really upset. Before I could say why, Will jumped in and asked if he used that old chestnut about his dad being sick again, as he had been using that one for years.

Doh! Dom had totally played me!

I told Will that he was extremely convincing, and Will revealed to me that he worked for a charity. He was one of those guys who gets you on the phone and tries to get money out of you. It was literally his job to be persuasive and try every emotional trick in the book. That explained it then!

Over the next seven days, I fielded four calls from Dominic and it was fair to say that he always attempted to dominate and control the conversation. I would let him rant for 10 minutes about his solicitor, Citizen's Advice,

Shelter, basic human rights, homelessness, second chances, karma, his dad, etc. The only way I ever got to say anything was by repeating his name over and over again until he stopped speaking. I would tell him how long he had been talking, how I fully understood what he was saying, but I had another meeting about to start and must go.

All this time I was trying to understand what he wanted and why he was refusing to move on, because there's always a reason.

“ I realised why he was fighting us – he was completely broke. So the main reason he was going to fight the eviction to the bitter end was because he had no money for a new deposit on the new place. It's always good to talk. ”

The last call was loaded with more mild threats, ie *"I really don't want to involve my solicitor, you've given me no choice, we're headed for court,"* and so on, but this time I realised why he was fighting us – he was completely broke. So the main reason he was going to fight the eviction to the bitter end was because he had no money for a new deposit on the new place. It's always good to talk.

Emily, Will and I always take the fastest and easiest route to move any bad apples on, and so I offered to pay £350 towards his new deposit which I would transfer directly to the new

landlord or agent. I said we would also transfer some of his existing deposit, also around £350, on the day he relinquished the room and handed back the keys.

Dominic's tone changed completely. He thanked me profusely and said it would be good to meet for a drink when this was all over. He said he needed to get off the phone now as he'd seen a few rooms he wanted to go and view. After the call I couldn't help wondering if he was just playing me again or whether I had just dodged a bullet?

Either way, after our numerous phone calls,

I kind of liked him in a ghastly sort of way. I mumbled something about fresh starts and new adventures and the call ended.

Two months later and Dominic was long gone. His room was re-set and re-painted, and a new customer sleeping on a new mattress where Dominic used to rest his head. So how did it all play out? Well, pretty smoothly really.

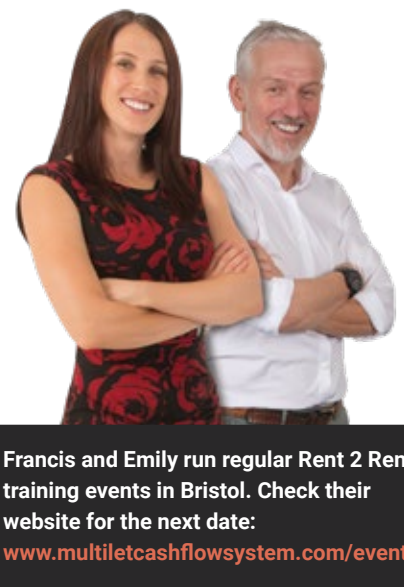
Dom found a room within the week and gave us the details of his new landlord so that we could transfer over the £350. We were of course suspicious and first confirmed 100% that the landlord was who Dominic said he was before we transferred any money. Dominic vacated the room a few weeks earlier than expected and, all things taken into consideration, it wasn't too messy.

Dominic was convinced that it wasn't our property manager George who dobbed him in, but another of the housemates ... and so he decided to make their life uncomfortable for his last few weeks living at the property as a farewell present. I won't go into the sordid details but it's a safe bet that his leaving party happened the day after he had left!

CONCLUSION

From time to time situations change, people change and relationships break down. C'est la vie. If you have a previously good customer who suddenly stops paying the rent or starts disrupting the house, there will be a reason. Your job is to find out what that reason is and address it.

Fixing our Dom problem cost us £350. If we'd decided to go the legal route and take Dominic to court, it might have cost us ten times that, filled our life with all-consuming stress, caused lots of sleepless nights and driven away even more of our good customers. So in the great scheme of things, £350 was a very small price to pay.



Francis and Emily run regular Rent 2 Rent training events in Bristol. Check their website for the next date:
www.multiletcashflowsystem.com/events

YOUR HMO Q&A



Hi everybody and welcome back to this month's edition of HMO Q&A! You are in a safe place as each month we take real questions from real property investors from my property community group on Facebook and answer them here in YPN magazine to benefit the larger community. **So let's get started ...**

With Rick Gannon

Q) Some of my tenants have overspent on the utilities this year and I am interested in enforcing a fair usage policy. How do I do this and is it lawful?

A) This is really a great question and for years I have known of investors placing such conditions and clauses within their contracts. I have yet to meet anybody that has successfully attempted to enforce any kind of fair usage policy, and if I'm completely honest, I think anybody would struggle with this condition if it was to be challenged legally.

The problem with fair use policies in shared properties on single AST contracts is that it is extremely difficult to prove who used which elements of the energy and who didn't. For example, Room One is away on holiday for two weeks in the summer, Room Two has an electric fan heater (although they're not supposed to!), and Room Three has just been using the utilities as normal. In these circumstances, how could you possibly enforce such a policy in a fair manner? You can't, really.

The other side of acting with a fair use policy, for example, is if your utilities were under your quarterly budget and

lower than expected, then surely you would have to reimburse the tenant on a pro rata basis? If this were to happen, I'm sure it would come with all sorts of legal and regulatory issues.

In my experience, it is much better to install remote devices to monitor the heating, and things like LED light bulbs and remote sensors into the property to monitor the utility consumption rather than putting unenforceable clauses into the contract.



Q) I'm considering taking on a property on a rent-to-rent basis and wanted to know what my legal obligations are?

A) This is a really great question and something that is very often overlooked. Rent-to-rent is a great strategy for people who want to enter the market on a budget. It is a perfectly legal strategy and legitimate business model, but is often misunderstood and frequently branded as illegal subletting.

Subletting is not illegal and is a genuine business practice, provided the owner of the property has given you their permission.

When embarking on a rent-to-rent venture, there are a few things that you need to consider to protect the landlord as well as yourself. The first thing you need to establish is whether the property has a **mortgage**. If it does, then it is the owner's responsibility to ensure that the mortgage allows letting as an HMO. If it doesn't, then you cannot use the property as an HMO without forcing the mortgage holder to breach their mortgage terms, which could have serious and dire consequences.

If the property does have consent to let as an HMO then the next thing you need to consider is **insurance**. It's the property owner's responsibility to ensure they have the correct insurance for an HMO. If they have a BTL policy and fail to tell their insurers that the house is now used as an HMO, they run the risk of being uninsured in the event of any claim.

The next element is making sure that you have **commissioned the contracts yourself** using a solicitor and advise the landlord to do the same. I understand it's really tempting to go online and borrow somebody else's rent-to-rent management agreement to keep your costs down, however remember that this agreement wasn't commissioned for you and probably won't be sufficient.

I hope that you never have to refer to the agreement, but it is really important to have the correct paperwork and that it is competent to protect both yourself and the property owner moving forwards.





Q) Which lock boxes and key safe provisions are landlords using at the moment?

A) This seems to be a re-occurring question, and certainly during Christmas time people were asking what provisions people put in place if tenants happen to lock themselves out over the festive period.

We have covered this before, but as the question keeps cropping up, I feel it would be beneficial for this February edition.

Some people choose to use master key systems and others choose to use a master lock box system. Both are very different and provide a totally different service,

A master key system is very useful and will allow you to have just one key giving you full access to the property and any of the rooms inside. It does however come with drawbacks. For example, if a tradesman needs to enter the property to conduct an

emergency repair they will need to be given a key, which will involve human intervention.

A lockbox is a simple device that is installed in a discrete position outside the property and contains just one key – this is for your own use or for any tradesmen who need emergency access into the property. It can give you access 24 hours a day without needing to carry any keys.

We also install a separate lock box for each of the rooms inside the property containing the individual bedroom door keys. Again, this is not for the tenants' use, this for you and your tradesmen. But it does serve as an emergency key should your tenant lock themselves out or lose their keys. All they need to do is call you and you can provide a combination to the lockbox over the phone and the tenant can let themselves back into the property. All you need to do is visit at a more convenient time to change the lock box combination. It's a simple and effective way to manage lock outs and maintenance access.

Please check with your insurance company which lock boxes they approve, and always conduct your own due diligence.

Q) I am currently looking to move to a new house and the agent I am dealing with is confusing me. They are saying that I can't move into the property with my partner, our child and my partner's brother as this would turn the property into an HMO, and the owner would then need a licence. Is this correct?

A) It seems that your letting agent is ill-informed. The circumstances you describe in your question amount to one family unit and would therefore not constitute an HMO. I would report back to your agent and quote the legislation from Section 258 of the Housing Act 2004 Section 3:

"(3) For the purposes of subsection (2)(a) a person is a member of the same family as another person if—

- (a) those persons are married to each other or live together as husband and wife (or in an equivalent relationship in the case of persons of the same sex);**
- (b) one of them is a relative of the other; or**
- (c) one of them is, or is a relative of, one member of a couple and the other is a relative of the other member of the couple."**

So according to the definition of the Housing Act, you are one family. It will be fine and your property will not constitute an HMO.



With my product, **GoTenant**, the tenant app allows your client to report maintenance issues quickly and easily. It also allows secure communication for general updates as well as providing tenants with access to their documents and information all in one place.

That's it for another month and I hope that you found this useful. See you back here next month

Rick

Rick is the author of **"House Arrest: A Practical Guide on How to Replace Your Income through Property Investing"**.



WE ARE ALL IN THE ZONE... BUT IS IT THE RIGHT ONE?

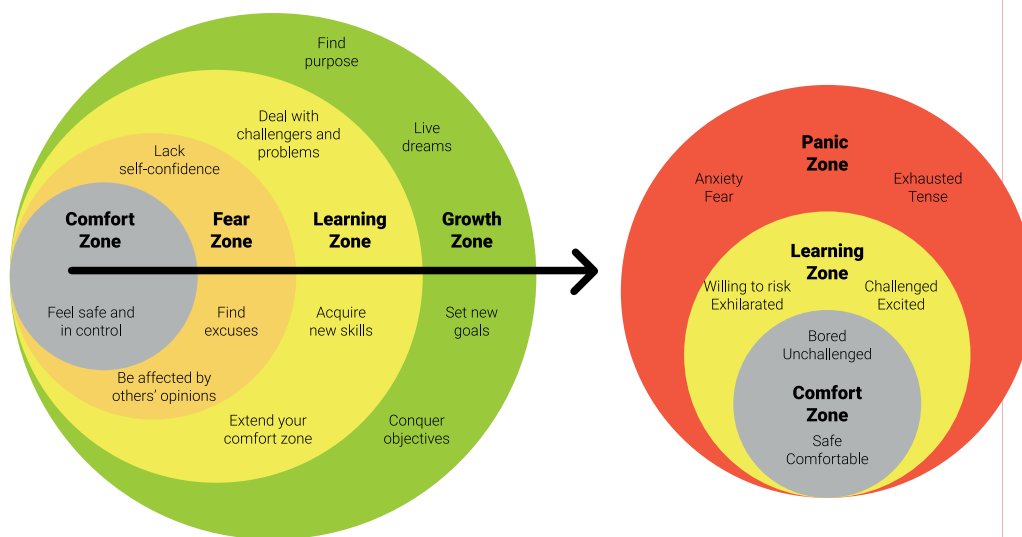
By Richard Brown
aka



I don't know about you, but in my case, I spent a LOT of time over the end of year break to get my plans and goals sorted out for 2020. I am committed to lifelong learning from a professional and personal development point of view.

It seems that not everyone is, with Darren Hardy quoting just 3% of people having this sort of formalised approach to their personal development. That also goes to show that it doesn't take too much of a change to make a difference compared to the masses.

Picking up the theme of zones, look at the following models. The Comfort Zone Model (left) appears to be an adaptation from Senninger's Model (right). Both relate to how we perceive and tackle growth as individuals.



THE COMFORT ZONE

is where many people around us operate; they tend to stick to what they know and understand. However, in my opinion, this could also mean that life happens to them and around them. It is a stagnant place to be, but to stagnate in nature usually ends up leading to extinction, so it's not necessarily the best place to be!

At the risk of confusing the two models, the Fear Zone and the Panic Zone are hardly where any of us might like to be either! The Fear Zone represents that place where we might want to step out of our Comfort Zone; however, fear holds us back. Whereas, the Panic Zone is perhaps where we could end up if we blindly charge ahead into the fast lane of personal development but perhaps get lost through overload or overwhelm. A

happy balance is needed, therefore.

THE GROWTH ZONE

This is what Maslow might call 'Self-Actualisation' at the top of his 'Hierarchy of Needs' model. Just pausing for thought on that – a hierarchy very much implies progressing up the pyramid, with basic needs being put in place at the bottom before we can even consider self-actualising at the top. So, it is important to build any personal development plan incrementally after providing for our basic needs of safety, food and shelter, for example.

A couple of final concepts that I wanted to share this month.

The first is what is known as the Growth Mindset (versus the Fixed Mindset); you can find out more on this topic through Dr Carol

they learn from each discipline using 'first principles learning transfer' as they do.

THE LEARNING ZONE

This is partly why I now read much more widely than I used to and believe I can learn more as I do.

So, the Learning Zone is where many of us will want to be spending most of our time, with an aim to reach the Growth Zone eventually. If you are reading this far, then you will already be convinced or are open-minded enough to explore the thought further, no doubt.

Therefore, the question is: which zone are you in right now? The second question is: which zone do you want to be in this year?

If there is a difference in these answers, it would suggest the need to document a Personal Development Action Plan to plot out your growth for the year. I have a simple template for that if you want to see an example. Even if the response to these two

Dweck's TED Talk or her book: *Mindset*. The idea is that we can train ourselves to be smarter just with a change in attitude and applying a consistent process of effort to our learning. We are not necessarily constrained by our IQ or a fixed level of intelligence in other words, which in my case was a relief to hear!

The second is what is known as the 'expert-generalist', highlighted by Michael Simmons in his research around Mental Models (worth looking up). The idea is that some really smart (and indeed wealthy) people, like Elon Musk, Ray Dalio or Charlie Munger, defy the conventional wisdom of being purely specialists in their field and instead study across multiple disciplines. Crucially, they apply what

questions is the same, and is in the learning or growth zone, you will already be actively working on your personal development I imagine, which is great!

Whilst undertaking my end of year review, I used the Living Your Best Year Ever Journal from Darren Hardy. It was very helpful but also made me think deeply about the last year and what I really want for the future, in a good way. However, it also led me to reinvent the wheel!

One of the exercises in the journal was to conduct a self-evaluation, using a long-established tool called the Wheel of Life.

However, I was not 100% satisfied with the version provided in the journal, whilst adequate it had a couple of important gaps, I felt. Of note, was the omission of what I call our Compass – our purpose, values and principles, beliefs, philosophy, religious ideals, etc.

Another is Habits and Routine – the glue that binds it all together: plans, goals, habits, systems/processes, prioritisation, time-management, milestone reviews, etc. Without these two essential elements, I believe we could lack the clear direction and systemised methodology to ensure that we both head down the right path and stick to it! To be fair,

and Business & Career. However, the principle of the Wheel of Life is to lead a balanced life that addresses all the different aspects of our life in a holistic way. That's why the journal process made me think deeply. Was my life fully balanced and, therefore, are my goals for this year hitting all the right notes, I asked myself?

The answer was no, they weren't. However, by undertaking this exercise, I was able to both identify and then address the priorities that I needed to work on for this year, beyond pure property goals. One of the biggest surprises was the low scores around lifestyle issues. I have now been able to determine why this is the case and set up a plan that will address this during the year ahead.

If you would like a copy of this reinvented Wheel of Life tool, just drop me a line and I will share a link to it with you. Failing that, just check out some of my social media posts from early January and you will no doubt stumble across a link in there somewhere.

The point of setting goals is to ensure that we lead a contented and fulfilled life. It is also the case that we need to become somebody different in order to achieve something different in our lives too. However, there is no point in having wealth at the sacrifice of our health. Or having plenty of money if we have no friends or family to share our lives with either.

As human beings, we have bigger needs and wants than more instinct-driven animals. We strive to improve and grow, with meaningful connections and to live a life of purpose, be stimulated and have some fun too! So, when you reflect on your own goals for this year, keep these thoughts and zones firmly in mind. Equally, try to have a balanced outlook and ensure you don't have such a wonky wheel that could lead to it falling off the wagon!

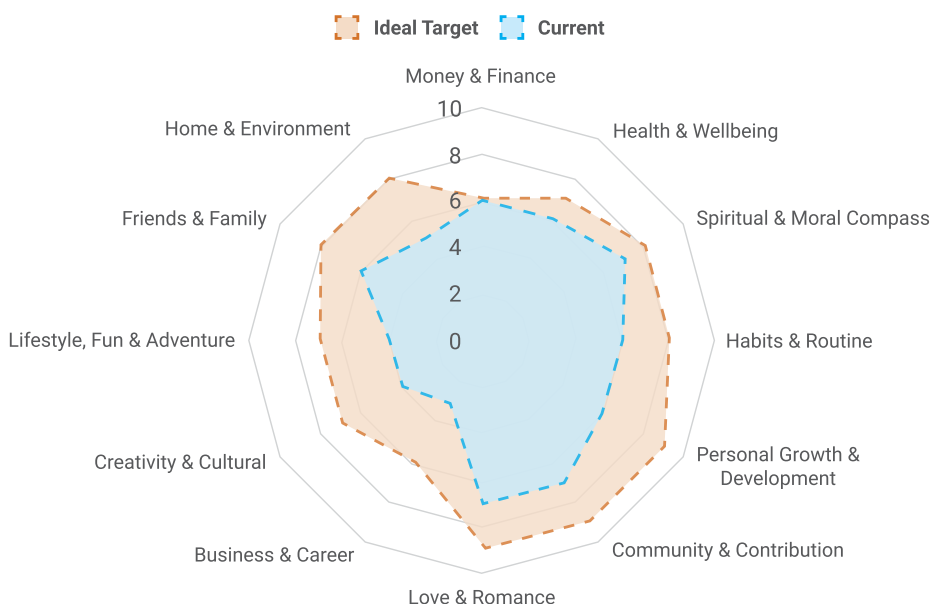
If any of this has made you want to revisit your plans and goals for the year, then please feel free to reach out and connect. I would be more than happy to share some of the tools that I have been using if that's of any help. In the meantime, get into the right zone for you and I hope you have an amazing 2020!

Contact: admin@thepropertyvoice.net or via The Property Voice social channel that works best for you. Thanks!

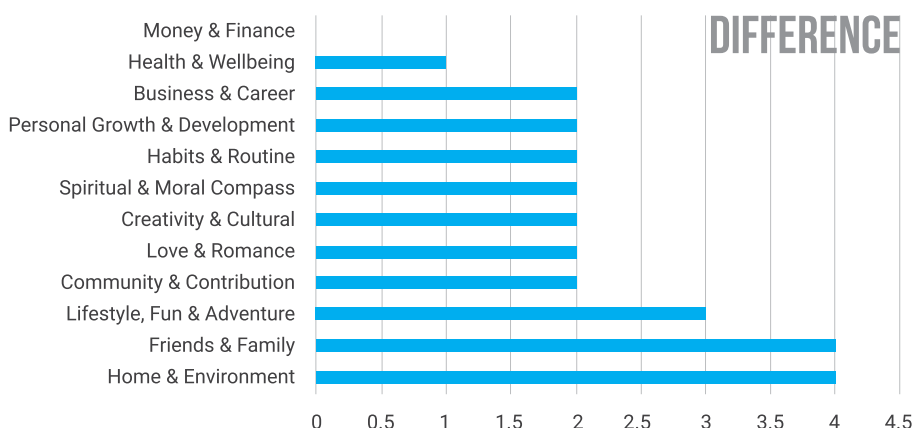
Richard Brown is the author of **"Property Investor Toolkit: A 7-Part Toolkit for Property Investment Success"** and **"#PropTech"**.



PERSONAL BALANCED SCORECARD



Darren Hardy's Journal has that covered in another step.



As mentioned, I decided to reinvent the Wheel of Life and create my own Personal Balanced Wheel, which looks a bit like this.

The tool also allows you to focus on the key priorities to tackle first, as represented between the difference between current score and the ideal score that you set for yourself, like this.

These scores are not my personal scores, just to clarify. In this person's case, the clear areas of priority would be around their Friends & Family, Home & Environment and Lifestyle.

Why is this relevant? Well, we often tend to focus on the big two: Money & Finance

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- Refurb: £5,000



- Purchase price: £38,000
- No stamp duty
- Refurb: £12,000
- Rent: £450
- Post Works Value: £65,000
- Only Leave in £5,750 on Refinance.



- Purchase Price: £33,000
- No Stamp duty
- Refurb: £8,000
- Post Works: £55,000
- Rent: £400
- Only Leave £6,000 in The Deal
- 42.7% Return on Investment

If you would like more information then please get in touch on 0191 501 8091 and speak to Mike or Martin and they will be able to help you with any questions or queries you may have.

Join us in London or Durham and Discover what we can do for you.

We let our clients speak for us. Here are some recent clients giving feedback.



The initial conversation I had with Mike, was the most productive I've had in years, it helped me immensely going forward in terms of the deals I should and shouldn't do.

What really impressed me about Mike, was the fact that is so transparent about the deals I shouldn't buy and he took the time to show me and explained why.. Not a lot of people do that.

I am glad that our paths have crossed and with his help I can now build the business I was hoping.

Many thanks again,

Vikram Oswal, East London



Working in the property industry myself, I did a great deal of research when I was looking to venture into property investments in the North East. I contacted a number of agents, but when I spoke with Michael at Talking Houses I knew it was

the right way to go. His knowledge of the market and the area is second to none, and the process from start to finish was brilliant and if any issues arose, Michael was always readily available to help and you always receive a personal service.

From my first visit up to the North East last year, to seeing the finished refurbished properties earlier this year, I would definitely recommend Talking Houses as the go to for investments and I will most certainly use them again for future property purchases in the area.

Alex Gorman Tooze, South East London



Come and join us for an hour to see what we can do for you. It will help you understand the North East property market and what it can do for you.

Please register your place either by email - info@talkinghouses.co.uk or on the contact us page on our website www.talkinghouses.co.uk or alternatively call us on **0191 501 8091**.

Our places are limited and fill up fast, so please register your interest at your earliest convenience.

Once registered you will receive your ticket via email.

Our upcoming dates

London Marriott - Canary Wharf

Wednesday March 18th. 1 hour consultation slots from 10am till 5pm.

Ramside Hotel - Durham

Wednesday March 25th. 1 hour consultation slots from 10am till 5pm.

Look forward to meeting you there.



Our very best

Mike Massey BSc (Hons)
Founder
Talking Houses NE Ltd



Martin Cockbill
Operations Director
Talking Houses NE Ltd

A SIMPLE TEN POINT PLAN FOR STARTING AND SUCCEEDING IN PROPERTY INVESTMENT

BY SUSAN ALEXANDER

How Your Do-Be-Haves and Not Trusting Car Salesmen Can Help You Be More Successful in Property

"Every journey starts with a single step" is an often said saying. It's something that is true in a property investment journey just as much as anything else.

The challenge is that there are so many steps that you can take in property and therefore a lot of would-be property entrepreneurs struggle to get started at all.

So today I want to share my simple plan of ten easy-to-follow steps that will help you get started, and more importantly, succeed in property investment.

STEP #1 WHAT ARE YOUR DO-BE-HAVES?

The first thing to ask yourself is probably the last thing you might think of: **WHY** do I want to get started in property? Why am I even doing this at all?

In other words, before you start looking at the smaller details, look at the bigger picture.

Knowing exactly why you want to get into property will give you the inspiration, determination and motivation to drive you forward and keep you going.

I like to think of it this way: What are your *Do-Be-Haves*?

Do. What do you want to **DO** in your life?

Be. What do you want to **BE** in your life?

Have. What do you want to **HAVE** in your life?

Now write all that down! Yes, write it all down. Your reason for starting in property and your do-be-haves are so important it's not enough to just think about them. You need to write them down in black and white. When the going gets tough later, as it inevitably will, you need to have a written reminder of all the reasons you are doing this.

STEP #2 BEGIN AT THE BEGINNING

As I said, a property journey can involve many steps to make it more manageable and more doable, it's best to start with only one.

In other words, break your BIG idea down into one **SMALL** starting step.

I'd recommend that your first step should be based around achieving one particular goal towards your do-be-haves within the next 12 to 18 months. While there are lots of different goals you can have, I'd strongly recommend that you start with one goal, and in particular, work out how much money you will need to achieve that goal. In most cases, there is a need to gain an amount of money in order to achieve the end result. So what is your *financial* goal for 12-18 months ahead?

Your goal doesn't need to be big, hairy or even scary! However, it does need to suit you and be relevant to you.



STEP #3 HAVE A SINGLE STRATEGY

There are many different strategies you can use to be successful in property. While that's good in some ways, it's not so good in other ways because there are probably too many!

You need to focus on one single strategy to get you started. The more focused you can be on achieving one thing, then the faster you are likely to achieve it.

Think of it this way: there are lots of different vehicles you can use to learn to drive. But using them all together will probably have you going round in circles, confused, and hamper your ability to learn quickly. Hence it is usually better to start learning to drive in the same vehicle.

The strategy you choose needs to be closely aligned to your goal.

For example, if you want to make a monthly income you need a strategy that will produce a monthly income. BTL or using HMOs might be an option here.

Or if you want to make a large pot of cash, you need a strategy to align with that. One option is property renovations in this case.

There's not enough room here to go through all the possible strategies you could choose from. But if you need any help in formulating a strategy that both suits you and is aligned with your goals just get in touch with us here at The Property Mentor and we'll be glad to help you.

STEP #4 PUT A CLEAR PLAN TOGETHER

The next step is to assemble a plan for what you are going to do. This should be a clear step-by-step plan, with clear milestones to meet along the way.

I recommend that your initial plan should be no more than your first 12 to 18-month goal. This is a long enough period to achieve something worthwhile, but not so far away that you'll lose focus.

For each month of your plan write down what your goal will be, what you need to do to achieve it and by when. For example:

Month 1:	Goal:	To Do:
Month 2:	Goal:	To Do:
Month 3:	Goal:	To Do:

... and so on.

STEP #5 SELECT YOUR TARGET AREA

By target area I mean choose a geographical area where your property projects will be located.

This really is one of the easiest steps you can take to help get your property projects moving. It filters out a lot of distractions and helps you focus in on the best projects.

Think of it this way: you don't need to scour the whole country when there are probably perfectly good potential projects on your doorstep. And you don't need a lot of properties to start with. Most successful property entrepreneurs started out with less than 10 properties. So how big does your target area really need to be if you need less than 10 properties to get you started?

I'd recommend that you start by looking in areas within 10 or 20 minutes from where you live. Do some research and get to know your area, to find out which area or areas will align best with your strategy.

STEP #6 GET TO KNOW YOUR AREA

Once you've plumped for a target area, the next step is to get to know it inside out. Do this before you start to look for specific property.

This might sound difficult, but it's not. Because there is lots and lots of advice out there to help you get to know the property market in any part of the country inside out. And it's free!

Ask estate and letting agents who cover the area you're interested in for the information you need. Most will be glad to tell you about their local market and you don't even need to be buying, selling or renting anything from them. (In fact, I find that you get better advice from them if you do this when you're not looking at a specific property!)

Ask agents where is good and bad in your target area. For example, ask them where and what type of property sells fast, and where and what doesn't. Ask what property buyers really want to buy. Ask what tenants really want to rent and what type of tenants you'll get in that area.



STEP #7 START WITH SOLID FOUNDATIONS

Every business needs good foundations and property is no exception.

But I don't mean just structural foundations! I mean key business foundations. These are small but very simple things you can do to make your business look more professional. Things you can do immediately.

Think about whether you should have a company name or just use your own name. Although it's optional, a professional business name really can make your business look more professional.

Think about whether you should form a limited company. You don't need to be a limited company to have a company name, however it might be more beneficial to you to have a limited company. There's a bit more to it than that though, as there can be tax and financial advantages of investing in property through a limited company. But there are some potential downsides too. I'd recommend that you talk to an accountant about this.



STEP #8 BOOST YOUR BUSINESS IMAGE

Very soon you'll need to start talking to people and start finding, setting up and progressing your property projects. Again, there are a few things you can do to smooth the lines of communication and present the right image.

Think about whether you need a business phone number and email and set them up now. Also, printed business cards may seem a bit old fashioned in the digital age. But they are a simple and cheap way of announcing your business to the world, getting known and getting remembered. One really useful tip: put a professional photograph of yourself on your business card. This allows the other person to put the face to your name beyond your initial meeting.

STEP #9 GET OUT AND GET YOUR LEADS

Leads are the life blood of every business. In property, your leads are details of the properties you could buy, sell, rent or develop. The more property leads you have coming in, the more and better projects you will be able to negotiate and choose from.

This is so important, and I recommend that you have a lead generation plan in effect for every single week going forward.

You can build a simple but effective lead-generating machine simply by having three or four things you can do each week, week in and week out.

These leads might be to help you source on-market property. That is, property that is being advertised for sale by estate agents and so on. Or they might be leads to help you source off-market property. That is, property that isn't being advertised for sale as such.



STEP #10 FIND THE HELP AND SUPPORT YOU NEED (and don't trust car salesmen!)

Last but not least, find the right help and support you need to help you put your plan into place, execute it and get to where you want to be.

In property as much as anything else, you need to get the right contacts and the right experts on board. You need the right people with the right skillset on your team.

Going back to something I said earlier: you wouldn't ask a car salesman to help fix your car. Chances are they aren't a qualified mechanic. Whenever you need help, you need to make sure you get expert help.

Go to property and business networking events to connect with the right professionals and experts to support you. The great thing about property is that whatever kind of help you need, whether it is with mortgage broking, finance or law or whatever else, there are almost certainly lots of experts with all the skills and expertise you need to help make your property journey a success.

I would absolutely say get some accountability into the mix too. As a coach and mentor, I have helped hundreds of people make sure that they achieve their goals.

Lastly, here's one more important point to think about: why do you even need to follow a plan like this at all? Why should you give it a try?

The answer is simple. If you keep on doing things the same way as before, you will only get the same results as before. If you want to achieve something new, different and on a whole new level, then you need to try something new, different and on a whole new level.

And if property is something you've been meaning to get involved with for some time, then it is even more important to try a new approach now.

So, if anything I have said here strikes you as not the sort of thing you would normally do

then maybe you should be doing it!

I hope this 10-point plan really will help you get started and succeed on your property journey. Please remember, if we can help you further in any way don't hesitate to give us a shout here at The Property Mentor.



CONTACT

If you need more detailed assistance with any of the areas I've discussed here, or other parts of your property investment journey, you can book a free coaching call at www.thepropertymentor.com or contact us on 01244 760213.

The answer is simple. If you keep on doing things the same way as before, you will only get the same results as before.



THE LANDLORD'S FRIEND LANDLORDING ADVICE FROM THE EXPERTS

BY PAUL SHAMPLINA AND KATE FAULKNER

Doing property deals is definitely the sexy part of property investing but equally important is the ability to be a successful landlord and, in this book, Paul Shamplina and Kate Faulkner share their extensive landlording experience. The book is split into three parts: preparation for letting, the actual letting process and effective running of the portfolio.



PART ONE: PREPARING FOR SUCCESSFUL LETTING

This section kicks off with an obvious question: is BTL right for you? Answering this will be helped by exploring your investment objectives, whether you have capital and finally who will manage the property. Additional expert support will be provided by an IFA, property tax accountant and mortgage broker – they will ensure that your investment is financially viable. Assuming you decide to invest in a BTL, the next step is to acquire landlord education – lots of choices here such as landlord's associations and online platforms.

Financing your BTL investment is tackled in depth next. Useful points are discussed and most of these can be gleaned from a specialist mortgage broker. The next chapter discusses the suitability of different tenant types and this may dictate the level of finish you decide, whilst remaining mindful of your financial objectives. The next two chapters discuss ways to find/purchase your investment, eg through agents or investment clubs (or perhaps direct to vendor). The sections cover getting the property ready to let include refurbishing to a decent standard, being compliant of current legislation and issuing the required prescribed information.

PART TWO: LETTING YOUR PROPERTY

First up is whether you will self-manage or use a letting agent. This will be down to whether you have the time and expertise to go it alone. If using an agent, the authors provide advice on which ones to consider and what questions to ask before engaging their services. If going alone, first work out an achievable rent; there are a number of ways to undertake this analysis using online tools or by talking to agents.

As soon as the property is ready, it's time to run online advertising and undertake viewings – advice on both aspects is provided. Prior to any viewings, it's important to undertake pre-qualification with some key questions, a few of which are provided.

The next chapter discusses tenant referencing, which must now be GDPR compliant. The authors provide a list of 10 key checks that they would recommend. If required, secure a guarantor to cover any rental default or property damage in the event of tenant non-compliance. Ensure that a guarantor is also referenced and signs a formal agreement. The next section also highlights the key attributes of professional bad tenants (Paul has profiled some of these in his TV programmes!). This is followed by looking out for criminal activity in the rented property, typically cannabis factories.

The next few chapters provide details on the different types of tenancy agreements, essential clauses to include and unfair ones to avoid. The authors' advice on deposits is clear-cut – take them and protect them. Deposits and schemes to protect them are highlighted together with a list of the top errors that landlords make when checking in tenants.

Book reviewed by:

Raj Beri



PART THREE: RUNNING YOUR PORTFOLIO THE RIGHT WAY

Achieving a successful rental is just the start of a long-term relationship with the property as it needs to be regularly maintained and updated, and the first chapter highlights the top 10 landlord maintenance mistakes. Repairs clearly need to be prioritised and it's often the case that tenants don't report problems (until an inspection is done). It is strongly advised that periodic inspections are undertaken to assess if any works are required. Even between inspections, communicate effectively with tenants to encourage a long-term tenancy.

The next couple of chapters cover tenants moving out. Despite what the tabloids state, the official figures show that only 10% of tenancies are ended by landlords. If you have followed all the right procedures, then termination of the tenancy following the correct procedures should be straight forward. A key part of the process is using a professional inventory company to avoid disputes and ensure a speedy return of the deposit.

One challenge landlords will occasionally encounter is when the tenant stops paying the rent. A key habit is to diarise when the rent is due so you can act quickly for non-payment. There are a number of reasons why a tenant may not have paid and these are discussed in the next section, together with actions that should be taken to address rent arrears. Should the need arise to evict the tenant, it's best to choose a professional eviction company who can serve the correct notices and serve them correctly. Each key notice is described in detail together with the procedures to follow if the landlord needs to make monetary claims against the tenant (arrears or damage), even if they have left the property.

WHO IS THIS BOOK FOR?

It's not often that I review a book written by such experienced people, who are investors in their own right, who have so much experience between them and who appreciate the ins and outs of this sector through sheer experience. It's well laid out with up-to-date content and the end of each chapter includes the **key steps to take** and **who to work with**. The former provides a great checklist of what to do and in what order, with the latter providing information of professionals to work with. Overall, this is an excellent update of a book that was first published in 2014.

www.rajberi.co.uk Email: raj@rajberi.co.uk

Book Details:
Available from **Amazon**
Date published: **2019**

THE 19 UNBREAKABLE, PROVEN, MONEY-MAKING RULES OF TRADING AND INVESTING (AND EVERYTHING ELSE TOO)

By **Marcus de Maria**

To be successful at stock market trading and investing (and everything else), you need a certain amount of discipline and time. Ergo, it's not a get-rich-quick scheme. To help with this discipline, I have listed my 19 Golden Rules for making money in the stock market. It applies to all money-making endeavors. In this month's article, I cover numbers 1 through 6. Feel free to use or borrow these until you create your own!

I know that people always want me to wave a magic wand and transform them into a successful trader. I do my best with the waving, but I always ask people to at least meet me halfway! Anyway, here are the rules I believe are important to creating lasting wealth via trading and investing ...

Golden Rule 1: Have Fun!

You need to make wealth creation fun! Life is a journey, not a destination. I know you've heard this before, but it's always good to be reminded of the things you already know.

If you give trading and investing a go and decide it really isn't for you, or it's stressing you out, be patient. Give it more time and stick with it for a good six to 12 months. Don't just give up at the first hurdle.

One of my clients started his trading journey with 22 losing trades in a row – that's what I call a hurdle. He was ready to throw his laptop out of the window but his wife managed to persuade him to wait until the end of the year. He finished the year in profit, and the next year he made 132% on his portfolio. There's a lesson there for sure.

However, if after 12 months you realise it isn't for you, move on to the next wealth vehicle: property, your own business or internet marketing. Whatever it is, move on to something else because there is no point doing something you don't enjoy. Life is just too short.



Golden Rule 2: Work On Your Psychology and Beliefs Around Money

If you have ever had thoughts like: "This is a little bit difficult" or "for trading you need to be good at maths and I'm awful at maths" or "the stock market isn't for me" – you're setting yourself up to fail before you even start.

I recently interviewed a journalist (yes, I know it's supposed to be the other way around!) who came on our course a while ago to check us out and write an article. She said that prior to doing the course, she thought that being a successful trader required a magic ingredient that she didn't have and that it was just for men.

She soon discovered these beliefs were wrong, but we always need to work on our psychology around these. We all have some form of limiting belief, probably several. You might be asking yourself right now how exactly to change limiting beliefs about wealth.

Great questions! If this were a shameless plug, I'd say you need to come on my two-day wealth creation course. But it's not a quick fix. The first step is for you to understand what your own beliefs are around wealth. Most people don't actually know what their beliefs are – all they have is a result and they're not happy with it.

Golden Rule 3: Create a Supportive Environment

To ensure success, you need to buddy up with the right people. We all have friends who we like because they're funny, cool and make us laugh. But are they where you want to be?

You might be thinking that it is okay because they aren't too negative, but if they are not helping you achieve your goals, then you haven't created that essential supportive environment.

I'm not saying to get rid of them – well, not all of them, especially not family members! But the point is, you need to mix with people who are already where you want to be. If you want to be successful, you need to go where the successful people are and hang out with them.

Don't be like most people who will read this and know it makes sense but will do nothing about it. Go out and make a point of tracking down successful people and create that supportive environment.

And make sure you create your supportive environment in a way that helps you get from where you are now to where you want to be in record time. If that means going to a seminar or having a coach, then do it.

Some of us tend to think that we have 300 years to spare, so we stumble around, put things off and find excuses. Suddenly you wake up in your fifties with little to show for it. Go out and surround yourself with people who are where you want to go. Elite Investor's Club, anyone?

Golden Rule 4: Make Your Trading Decisions When the Market is Closed

Making your trading decisions when the market is closed avoids any emotion that might make you do something you didn't really want to do. The biggest emotions we're talking about here are fear and greed. These are what move the market and so it can be said that much of the market movement is down to emotions. And it is easy to get caught up in it.

The caveat to this is if you're a day trader or intra-day trader. There's no way you can avoid trading when the market is

open because people are buying and selling throughout the day. All traders understand that winning and losing are both part of the course.

If your strategy is swing trading, meaning you are looking at larger moves in the market, then it is easy to place your order when the market is closed. We never get in at the current price as we can get in at the price we wish to get in. Whenever it hits that price, we buy, so we can place the order well in advance.

It doesn't matter if the market is open or closed. I do my research at the same time every day – 8:30pm for 30 minutes. That's it, at 9pm I am done.

Golden Rule 5: Focus on Your Long-Term Vision and Goals

Always focus on your long-term goal, not the short-term wins or losses. If a trader has a bad week and then gives up because they can't make any money, they'd be focusing on the short-term losses. A trader should always remember that it's all part of a bigger picture that's driving them towards their long-term goals.

You need to have your long-term goal, which is much like your ultimate vision. What is your financial vision? What does it like? How does it sound, taste, smell and feel? Where do you want to be in five to ten years' time?

You can say you have no idea, but this is one of the simplest exercises you can do. Before you say that you're not very good at visualization, don't worry, you don't need to be.

I've been teaching people how to create wealth for longer than I can remember. It's very simple – you just need to get someone to sit you down with a pen and paper and ask you questions. Close your eyes while being asked these questions, and you'll suddenly start describing, in full HD panoramic detail, the house you want, the car you yearn to drive, the orphanages you're going to help and so on. Whatever rocks your boat.

If you're just asked what your vision, you'll probably just say that you want a big house. That's nowhere near enough detail. Make sure that you're asked for more detail. How big is the house? How many windows does it have? Describe the front and back. What is in the kitchen? What can you smell and hear? I tell you what, you'll be amazed that in 20 minutes you'll have way more information than what you thought possible. That's your vision and your long-term goal.

Golden Rule 6: Know Why You Are Doing This

As well as knowing your vision and long-term goals, you must know why you want them. I can't tell you enough how vital it is to know why you're doing this.

Your big reason or motivation shouldn't just be about yourself. It has to be for other people too, because you'll do more for others than you would do for yourself.

If you make it about you – “*I want this, I deserve this, etc*” – guess what? All of your limiting beliefs you worked so hard to overcome will kick in again. “*I'm too young, I'm too old, I'm not educated enough, I studied for too long, etc.*” We make it all up in our head and it's all a load of BS.

The key point here is to focus on why you're trading or investing, and not make it just about you. Think about what your family needs or others you can help. This is how you sidestep all your limiting beliefs about yourself, because you will do more for other people than you will about yourself.

One more very important point – when I ask people why they do what they do, they usually give answers that are framed in the positive, eg “*I want financial freedom, I want to learn how to generate more cashflow, I want passive income.*”

Whilst these are all admirable reasons, they are not motivation enough to get you to continue before you give up. That's right, most people give up way too early and had they stuck with it they would have done extremely well. Remember my client who wanted to give up after 22 losses in a row?

The thing to do is to look at the more negative side of things. Now there's something you don't hear an expert say very often! Let's look at the following:

I want financial freedom vs I don't have financial freedom and at this rate, I never will unless I do something about it.

I want to learn how to generate more cashflow vs I don't know how to generate more cashflow and if I don't, I won't be able to keep up with my payments.

I want passive income vs I don't have enough passive income and if I don't, I have no choice but to work until I drop.

Do you feel differently when you read the second version compared to when you read the first one? The negative version is more impactful because it gives you pain. Pain is an effective way to get you into action and keep your momentum high. Stating the truth, however harsh it seems, is crucial to your success. We will do anything to get away from pain.

Give yourself a great start to the New Year and download my book the Lunchtime Trader for free here -

<http://investment-mastery.com/yppn-ltt-book>

Until next month

Marcus



INVESTMENT DIVERSIFICATION

By Simon Zutshi

We all know that it is a good idea to diversify your investments to spread risk. However, this needs to be balanced with focusing on one investment asset at a time to avoid getting distracted by shiny pennies. In this article, I want to share with you my investing strategy and how I've been able to successfully diversify my investments over the last 25 years.

When I started investing in property back in 1995, I did it very slowly. It was very much a hobby or side activity. One of my biggest regrets in my property investing journey is not really going for it and buying a lot more property much quicker. But at the time, I did not know how profitable investing in property could be. I was doing it on my own because there was no training, no property networking events, no property magazine, no webinars, or YouTube videos. In fact, the internet was only just becoming popular.

It's not like that now. There is so much information available I am sure it can be overwhelming to people who are new to investing. The problem that I see many investors face is what's known as shiny penny syndrome. They hear about a strategy on a webinar or in an article in this magazine and start to implement it.

Then they hear about a different strategy, which sounds exciting and very profitable. Maybe they are not getting the results they want from the first strategy as quickly as they thought and so they drop it in favour of the new and exciting one. After a while, they hear about another new strategy and the cycle repeats again.

This is why I teach delegates all strategies on my advanced three-day Mastermind Accelerator residential workshop. The aim is that by the end of these three days, they can identify which strategy resonates with them and know they want what to start with.

Once you find the right strategy, you need to Follow One Strategy Until Successful – or FOCUS. Master one before getting distracted by another. You can still diversify within the strategy to spread the risk.

For example, instead of having all your properties in one location for one type of tenant, you could mix it up. You might have student HMOs in one location near a university and other HMOs in another part of the city for young professionals or workers. It can even be in a different city or town. This is in case something happens to the supply or demand from one of those groups of tenants, so you don't have all your eggs in one basket, so to speak.

“I get concerned when I hear of people whose entire portfolio consists of SA. Now don't get me wrong, I think SA is a fantastic strategy when done correctly and it can be highly profitable, but my concern is that at some point it will become regulated and could cause some issues”

Unlike HMOs (which are highly regulated, so at least you know where you stand), SA is completely unregulated and frankly, it's a bit like the Wild West. There are some very professional operators, but there are also lots of investors who are making massive mistakes. When regulation comes, I fear that some people could be put out of business overnight. Thus, the need for diversification.

On a side note, if you do want to get involved in SA and learn how to do it properly, I can highly recommend YPN's Total SA programme. It's a monthly online mentoring programme, which gives you all the knowledge and support you need at a very low cost.

Once you have mastered one asset class, you should consider other types of investment assets.

Property is just one of the asset classes you can invest in. In the early 2000s, I got very excited about investing in the stock market.

I went to a Tony Robbins Wealth Mastery event, and following on from that I invested in a number of stock market training courses. I was actually doing quite well, and although I was losing some money, overall I was making money. The only problem was that I found that the time I needed to put into stocks and shares was just too much.

Compared to the time I spent upfront with my property investing, where I worked once and got paid forever, I found that stocks and shares needed me to spend too much time in front of a computer every day. So in 2003, I decided to focus 100% on property and I've done very well from that decision.

Interestingly, I've gone back to the stock market in the past couple of years. One of my Property Mastermind graduates, Jeremy Downing, is an expert in the area and teaches how to make between 1% and 1.5% per month – that's 12% to 18% per year – from as little as five minutes per day. That really appeals to me because I'm busy doing what I want to do and I don't want to spend all my time in front of a computer watching the stock market, which is time-consuming and can be stressful. I love that it takes so little time, just a few minutes a day, and I'm getting a great return on my money.

MAKING MONEY FROM BUSINESS

Once I had my property portfolio cash flowing and it was giving me more than enough to cover my living expenses, I had time and freedom to do what I wanted to do, so I set up my property training business. I didn't need to make any more money from the business though, because the income from my properties was more than supporting me.

However, over time I've grown the training business (you may have attended one of our property investor network meetings or a training seminar, as thousands of people have). Although this particular business is very time-consuming, I don't mind because I'm passionate about it.



I realised that if I wanted to have any more businesses, I needed to set them up so I wasn't the main person running it. This was a very important distinction for me, because it means you can scale up by running other businesses.

This is exactly what I did when I set up CrowdProperty. I deliberately put together a team, which was not dependent on me. The idea for this business came to me when I spotted two problems in the market.

First of all, there were people with great development projects struggling to get funding from banks (who often don't really understand property). Secondly, there were also people with money in the bank frustrated about the very low rate of return they were getting.

I realised that I could solve both problems by creating an online platform that facilitates loans to property professionals to fund their property projects from everyday investors. The platform takes care of all the legislation, the legal paperwork and everything required. This FCA-regulated business has now become a multi-million-pound business and I'm not that involved in it. I have a great team running and growing the business for me.

If you want to diversify, you can maybe set up businesses where you're not that involved.

Another idea is investing in other people's businesses. I'm always getting approached by people who want me to invest in their businesses and there are some great ideas out there, but I can't invest in all of them. I tend to invest in ideas where not only am I putting capital into the business, but also adding expertise, mentoring, guidance and the ability to promote that business through my network. It's a real win-win for everyone.

I can help to grow that business and my partners get far more than just a cash injection.

I liked Jeremy Downing's business so much that I've actually purchased it and incorporated it into my training business. I'm not the expert on the stock market and I don't particularly want to teach the subject, but Jeremy loves doing it and he's now part of my business.

Even better, when investing in other people's businesses, thanks to the government's Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS), you can invest in other people's businesses and get generous tax reliefs. Anyone who is a property investor, making good income from property and has the occasional capital gains tax liability due to selling a property, should really look at this.

"However, a word of caution here! This funding is for new start-up businesses and therefore is very risky. Many new businesses don't make it. But if you diversify your investments through several different companies, you are spreading risk"

You must always do your research to check that the company has a great product or service with a good

size market that needs the product or service offered. It also needs the right team in place to make sure they can deliver the business plan. If it ticks all these boxes, then you could have a real winner.

This is how I first raised money for CrowdProperty. I put some of my own money in but I also sold shares in the business to people I knew to raise £150,000 under SEIS. We have since sold more shares and raised almost £2m for business growth. The last raise was in March 2019 when the business was valued at £15.7m, so all of our shareholders have done very well on paper. My team plan to massively grow the business over the next five years.

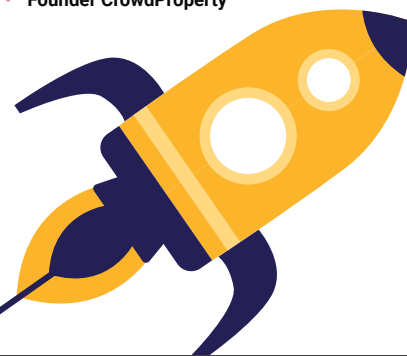
I do hope this article has stimulated your thinking about how you can diversify your investments.

Until next time!

Invest with knowledge, invest with skill.

Simon Zutshi

- Founder, property investors network
- Author of Property Magic
- Founder CrowdProperty



Earn money from the stock market in just 5 minutes a day

If you would like to learn how you can earn 12% to 18% per year from the stock market in less than five minutes a day, then you should seize the opportunity to learn from Jeremy Downing on this no-cost training. Available here: [JeremyMethod.com](https://www.JeremyMethod.com)



THE JARGON BUSTER

A list of the abbreviations and tech-talk used in this month's YPN – and more ...

ACV	Asset of community value	CIS	Construction Industry Scheme – Under this, contractors deduct money from a subcontractor's payments and pass it to HMRC. These deductions count as advance payments towards the subcontractor's tax and NI. Contractors must register for the scheme. Subcontractors don't have to register, but deductions are taken from their payments at a higher rate if they're not registered.	GDV	Gross Development Value
ADR	Alternative Dispute Resolution			GOI	Gross operating income
AI	Artificial intelligence			HB	Housing benefit
APHC	Association of Plumbing and Heating Contractors			HHSRS	Housing Health and Safety Rating System
ARLA	Association of Residential Letting Agents			HMO	House of Multiple Occupation
Article 4	An Article 4 Direction removes permitted development rights within a specified area designated by the local authority. In many cities with areas at risk of 'studentification', there are restrictions on creating HMOs so you will have to apply for planning permission. Check with your local planning authority.	CGT	Capital gains tax	HNWI	High Net Worth Individual a certified high net worth investor is an individual who has signed a statement confirming that he/she has a minimum income of £100,000, or net assets of £250,000 excluding primary residence (or money raised through loan secured on that property) and certain other benefits. Signing the statement enables receipt of promotional communications exempt from the restriction on promotion on non-mainstream pooled investments. (Source: FCA)
AST	Assured Shorthold Tenancy	CML	Council for Mortgage Lenders		
AT	Assured tenancy	CPD	Continuing Professional Development		
BCIS	Building Cost Information Service – a part of RICS, providing cost and price information for the UK construction industry.	CPT	Contractual periodic tenancy		
		CRM	Customer relationship management (eg, CRM systems)		
BCO	British Council for Offices	CTA	Call to Action	HP	Hire Purchase
BIM	Building information modelling	Demise	A demise is a term in property law that refers to the conveyance of property, usually for a definitive term, such as premises that have been transferred by lease.	HSE	Health and Safety Executive
BMV	Below market value			ICR	Interest Cover Ratio
BPEC	British Plumbing Employers Council – qualifications, assessments and learning materials for Building Services Engineering sector	DHCLG	Department of Housing, Communities and Local Government (formerly DCLG – Department for Communities and Local Government)	IFA	Independent financial advisor
BRR	Buy, refurbish, rent out			IHT	Inheritance tax
BTL	Buy-to-let	DoT	Deed or Declaration of Trust	IRR	Internal Rate of Return
BTR	Build-to-rent	DPS	Deposit Protection Service	JCT (contract)	Joint Contracts Tribunal – produce standard forms of construction contract, guidance notes and other standard forms of documentation for use by the construction industry (Source: JCT)
BTS	Buy-to-sell	EHO	Environmental Health Officer		
C2R	Commercial to residential conversion	EIS	Enterprise Investment Scheme	JV	Joint venture
CCA	Consumer Credit Act	EPC	Energy performance certificate	JVA	Joint venture agreement
CDM	Construction Design and Management	FCA	Financial Conduct Authority	KPIs	Key Performance Indicators
CIL	Community Infrastructure Levy - The Community Infrastructure Levy is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. It came into force on 6 April 2010 through the Community Infrastructure Levy Regulations 2010. (Source: planningportal.co.uk)	FHL	Furnished holiday let	L8 ACOP	Approved Code of Practice L8 – Legionella Control and Guidance
		FLEEA cover	Insurance cover for Fire, Lightning, Explosion, Earthquake and Aircraft impact, but no other perils. Some times issued for a property that has been empty for some time	LACORS	Local Authorities Coordinators of Regulatory Services
		FPC	Financial Policy Committee	LHA	Local Housing Authority
		FRA	Fire risk assessment	Libor	London Inter-Bank Offered Rate
		FSCS	Financial Services Compensation Scheme	LLP	Limited Liability Partnership
		FTB	First time buyer	LTV	Loan To Value
		GCH	Gas central heating	MCD	Mortgage Credit Directive (European framework of rules of conduct for mortgage firms)
		GDP	Gross domestic product	MVP	Minimum viable product
		GDPR	General Data Protection Regulation	NALS	National Approved Letting Scheme

NICEIC	National Inspection Council for Electrical Installation Contracting	RP	Registered Proprietor, refer ring to the name on the title of a property Land Registry	SA	Serviced Accommodation
NLA	National Landlords Association	RSJ	Rolled-steel joist – steel beam	SAP (assessment)	Standard assessment procedure
OIEO	Offers in excess of	RTO	Rent to Own	SARB	Sale and Rent Back
OMV	Open market value	RX1	Form used to register an application to the Land Registry to place a restriction on the legal title of a property to protect the interests of a third party. The restriction will prevent certain types of transaction being registered against the property (eg, sale, transfer of ownership or mortgage)	SDLT	Stamp Duty Land Tax
ONS	Office for National Statistics			SI	Sophisticated Investor (Source: FCA)
PBSA	Purpose-built student accommodation			Certified: individual who has a written certificate from a “firm” (as defined by the FCA) confirming he/she is sufficiently knowledgeable to understand the risks associated with engaging in investment activity.	
PCA	Property Care Association, a trade organisation for specialists who resolve problems affecting buildings			Self-certified: individual who has signed a statement confirming that he/she can receive promotional communications from an FCA-authorised person, relating to non-mainstream pooled investments, and understand the risks of such investments. One of the following must also apply:	
PCOL	Possession claim online	S8 or Section 8	Named after Section 8 of The Housing Act 1988. A Section 21 Notice (or Notice to Quit) is served when a tenant has breached the terms of their tenancy agreement, giving the landlord grounds to regain possession. Strict rules apply. See https://www.gov.uk/evicting-tenants/section-21-and-section-8-notices for up-to-date information.	(a) Member of a syndicate of business angels for at least six months;	
PD	Permitted Development / Permitted Development rights – you can perform certain types of work on a building without needing to apply for planning permission. Certain areas (such as Conservation Areas, National Parks, etc) have greater restrictions. Check with your local planning authority.			(b) More than one investment in an unlisted company within the previous two years;	
PI insurance	Professional Indemnity insurance	S21 or Section 21	Named after Section 21 of The Housing Act 1988. You can use a Section 21 Notice (or Notice of Possession) to evict tenants who have an assured shorthold tenancy. Strict rules apply. See https://www.gov.uk/evicting-tenants/section-21-and-section-8-notices for up-to-date information.	(c) Working in professional capacity in private equity sector or provision of finance for SMEs;	
PLO	Purchase lease option			(d) Director of a company with annual turnover of at least £1m within the previous two years.	
PM	Project manager	S24 or Section 24	Section 24 of the Finance Act (No. 2) Act 2015 – restriction of relief for finance costs on residential properties to the basic rate of Income Tax, being introduced gradually from 6 April 2017. Also referred to as the Tenant Tax’.	SIP(s)	Structural integrated panels
PRA	Prudential Regulation Authority – created as a part of the Bank of England by the Financial Services Act (2012), responsible for the prudential regulation and supervision of around 1,500 banks, building societies, credit unions, insurers and major investment firms. (Source: Bank of England)	S106 Section 106	Section 106 agreements, based on that section of The 1990 Town & Country Planning Act, and also referred to as planning obligations, are private agreements made between local authorities and developers. They can be attached to a planning permission to make acceptable development that would otherwise be unacceptable in planning terms. Planning obligations must be directly relevant to the proposed development and are used for three purposes: Prescribe the nature of development Compensate for loss or damage created by a development Mitigate the impact of a development (Source: planningportal.co.uk)	SME	Small and Medium-sized Enterprises
PRC	Pre-cast reinforced concrete. Often used for residential construction in the post-WW2 period, but considered as non-standard construction and difficult to mortgage. Most lenders will not lend unless a structural repair has been carried out in accordance with approved PRC licence, supervised by an approved PRC inspector. Legal evidence of the repair is issued in the form of a PRC Certificate of Structural Completion. (Source: prchomes.co.uk)			SPT	Statutory periodic tenancy
PRS	Private Rented Sector			SPV	Special Purpose Vehicle – a structure, usually a limited company, used when more than one person invests in a property. The legal status of the SPV protects the interests of each investor.
R2R	Rent-to-rent			SSTC	Sold Subject To Contract
REIT	Real Estate Investment Trust			TPO	The Property Ombudsman
RGI	Rent guarantee insurance			UC	Universal credit
RICS	Royal Institute of Chartered Surveyors			UKALA	The UK Association of Letting Agents
RLA	Residential Landlords Association			USP	Unique selling point
RoCE	Return on Capital Employed			VOA	Valuation Office Agency
ROI	Return on Investment				

NETWORKING EVENTS

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Blackfriars pin

4th Tuesday of the month

Crowne Plaza 19 New Bridge Street
Blackfriars London EC4V 6DB

Host: Fraser MacDonald
www.blackfriarspin.co.uk

Canary Wharf pin

1st Thursday of the month

De Vere Conference Suite No. 1
Westferry Circus London E14 4HD

Host: Samuel Ikhnminwin
www.canarywharfpin.co.uk

Clapham pin

1st Tuesday of the month

Landor Space 70 Landor Road
Clapham London SW9 9PH

Host: Stuart Ross
www.claphampin.co.uk

Croydon pin

3rd Wednesday of the month

Jurys Inn Croydon Hotel Wellesley Road
Croydon CR0 9XY **Host:** Stuart Ross

www.croydonpin.co.uk

Kensington pin

2nd Wednesday of the month

Holiday Inn - Kensington High Street
Wrights Lane, Kensington, London
W8 5SP **Host:** Fraser MacDonald

www.kensingtonpin.co.uk

Sutton pin 2nd Thursday of the month

Holiday Inn London Sutton
Gibson Road Sutton Surrey SM1 2RF
Hosts: Johanna and Peter Lawrence

www.suttonpin.co.uk

PPN London Knightsbridge 11/02/2020

Leo Nova South, 160 Victoria Street
Westminster London SW1E 5LB.

Hosts: Pippa Mitchell & Tej Singh
progressivepropertynetwork.co.uk/knightsbridge

PPN Blackfriars 10/02/2020

Crown Plaza 19 New Bridge St London
EC4V 6DB **Host:** Kevin McDonnell

progressivepropertynetwork.co.uk/mayfair

PPN Bank 03/02/2020

Brand Exchange Members Club 3
Birch Lane London EC3V 9BW

Host: Michael Primrose
progressivepropertynetwork.co.uk/bank

PPN London St. Pancras 05/02/2020

WeWork Kings Place 90 York Way
London N1 9AG **Hosts:**

Jamie Madill & Steve Mitchell
progressivepropertynetwork.co.uk/stpancras

PPN Mayfair 18/02/2020

The Lansdowne Club 9 Fitzmaurice Pl,
Mayfair, London W1J 5JD

Host: Kamila Wszolek
progressivepropertynetwork.co.uk/mayfair

Premier Property Club - Islington

2nd Wednesday of the Month

Double Tree Hilton Hotel 60 Pentoville
Road N1 9LA **Founder:** Kam Dovedi

premierpropertyclub.co.uk/islington

Premier Property Club - Knightsbridge

3rd Wednesday of the Month

Hilton Hotel Park Lane 22 Park Lane
W1K 1BE **Founder:** Kam Dovedi

premierpropertyclub.co.uk/knightsbridge

Premier Property Club - Canary Wharf

4th Tuesday of the Month

Hilton Hotel Marsh Wall London

E14 9SH **Founder:** Kam Dovedi
premierpropertyclub.co.uk/canarywharf

Premier Property Club - Croydon

1st Tuesday of Each Month

Jurys Inn Croydon Wellesley Road
London CR0 9XY **Founder:** Kam Dovedi

premierpropertyclub.co.uk/croydon

Premier Property Club Wembley

4th Wednesday of each month

Holiday Inn Wembley Empire Way
Wembley HA9 8DS

Founder: Kam Dovedi
premierpropertyclub.co.uk/wembley

Wandsworth-Property-Group

Love Property in N1 Meetup Group

1st Thursday of the Month

The Islington Company 97 Essex Road
N1 2SJ **Host:** Vaida Filmanaviute

www.meetup.com/Love-Property-in-N1-Meetup-Group

Property Leverage Network - London

1st Monday of the month

Pavillion End
23 Watling Street London EC4M 9BR

Host: Karun Chaudhary (07542210168)

Central London Evening Meet

4th Thursday of the month

London Bridge Hotel 8-18 London
Bridge St London SE1 9SG

Hosts: Brendan Quinn and Luke Hamill
www.meetup.com/CentralLondonPropertyNetwork

Central London Morning Meet

See website for details

Grosvenor Casino 3-4 Coventry Street
Piccadilly Circus London W1D 6BL

Host: Brendan Quinn
www.meetup.com/CentralLondonPropertyNetwork

Baker Street Property Meet

Last Wednesday of every Month

Holiday Inn London Regents Park
Carburton Street London W1W 5EE

Host: Ranjan Bhattacharya
www.BakerStreetPropertyMeet.com

Sutton Property Meetup

2nd Monday of the Month

The Ivory Lounge 33-35 High Street
Sutton Surrey SM1 1DJ

Hosts: Johanna and Peter Lawrence
www.meetup.com/Sutton-Property-Meetup

London Property Investor Breakfast

4th Tuesday of the month (7.30am - 9.30am)

Doubletree by Hilton 92
Southampton Row Holborn London
WC1B 4BH **Host:** Fraser Macdonald

www.meetup.com/londonpropertybreakfast

UK Property Investors Networking

Event Last Monday of the Month

Grovesnor Hotel 101 Buckingham
Palace Road Victoria London

Host: Cornay Rudolph
www.meetup.com/UK-Property-Investors-Networking-Event

The Kensington & Chelsea Property

Group 2nd Wednesday of the month

Baglioni Hotel 60 Hyde Park Gate
London SW7 5BB **Host:** Neil Mangan

<https://www.meetup.com/The-Kensington-Chelsea-Property-Group/>

Property Leverage Network City of

London 4th Monday of every month

Dawson House 5 Jewry Street London
EC3N 2EX **Hosts:** Felix Cartwright

& Phil Ash (07856202658)

www.propertyleverage.co.uk

Property Leverage - Southbank

London 3rd Monday of the month

Mulberry Bush 89 Upper Ground
Southbank London SE1 9PP

Hosts: Felix Cartwright & Phil Ash
(07856202658)

www.propertyleverage.co.uk

The London Real Estate Buying

& Investing Meetup Group

2nd Tuesday of the Month

Business Environment
Services Offices 154 - 160
Fleet Street EC4A 2NB

Host: John Corey
www.meetup.com/real-estate-advice

West London Property Networking

2nd Thursday of each month

(except Dec or Aug)

High Road House Chiswick West
London **Hosts:** Jeannie Shapiro and
Pelin Martin

www.westlondonpropertynetworking.co.uk

Wandsworth Property Group

3rd Tuesday of the Month

The Alma
499 Old York Road Wandsworth
London SW18 1TF **Host:** Brendan Quinn

www.meetup.com/Wandsworth-Property-Group

Bloomsbury Wealth

Investing Network

3rd Wednesday of the month

The Wesley Hotel 81-103 Euston St
Kings Cross London NW1 2EZ

Hosts: Matt Baker & Jo Akhgar
www.bloomsburywin.net

Elephant & Castle Wealth Investing

Network 1st Tuesday of every month

London South Bank University Keyworth
Street Keyworth Building SE1 6NG

Host: Sonia Blackwood

Global Investor Club London

2nd Thursday of every month

City Business Library Guildhall London
EC2V 7HH **Host:** Jan Kortyczko

fb.com/GICLondon **Please note** that
most speakers are presenting in Polish

Female Property Alliance

3rd Tuesday of every month

Doubletree Victoria Bridge Place
SW1V 1QA **Host:** Bindar Dosanjh

<http://femalepropertyalliance.co.uk>

Croydon Property Meet

1st Wednesday of the month

Croydon Park Hotel Altyre Road
Croydon. CR9 5AA

Hosts: Rob Norton and Sel Fayyad
www.croydonpropertymeet.com

rob@croydonpropertymeet.com

THE PROPERTY HUB

1st Thursday of the Month

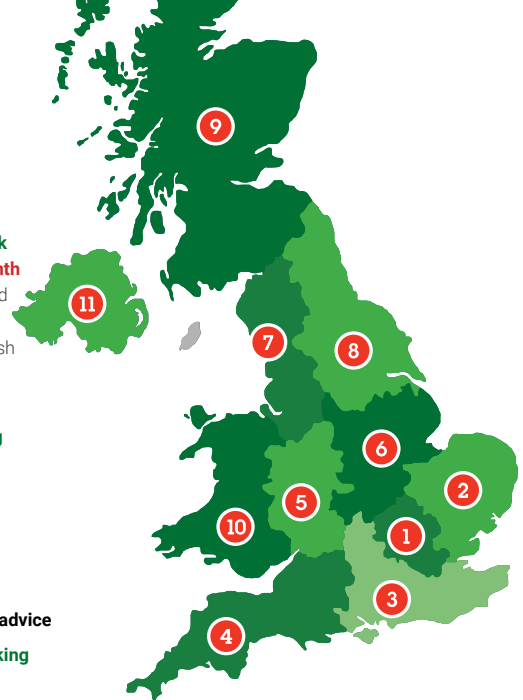
<http://thepropertyhub.net/meetups>

London West

Smith's Cocktail Bar
Brook Green Hotel 170 Shepherd's Bush
Road Hammersmith London W6 7PB

London East

Property Hub Invest 1
Naorji Street London WC1X 0GB



Rent 2 Rent Live! - Tower Hill

2nd Tuesday of every month

The Tower Hotel, St Katharine's Way, London,
E1W 1LD **Host:** Steve Curtis

rent-2-rent-live.eventbrite.co.uk

Mayfair Property Meet

3rd Thursday of the month

The Washington Hotel, 5 Curzon Street, May-
fair, W1J 5HE **Host:** Angela Bryant

www.mayfairpropertymeet.co.uk

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Cambridge pin 4th Thursday of the month

Holiday Inn Cambridge Lakeview Bridge
Road Impington Cambridge CB24 9PH

Host: Christine Hertoghe
www.cambridgepin.co.uk

Essex pin 3rd Tuesday of the month

Orsett Hall Hotel Price Charles Avenue
Orsett Essex RM16 3HS **Host:** Reegan
Parmenter

www.essexpin.co.uk

Norwich pin 2nd Tuesday of the month

Holiday Inn, Ipswich Road, Norwich,
Norfolk, NR4 6EP

Host: Chris Jones www.norwichpin.co.uk

PPN Ipswich 10/02/2020

Ufford Park Hotel,
Melton, Woodbridge, IP12 1QW

Host: Halstead Ottley
progressivepropertynetwork.co.uk/ipswich

PPN Brentwood 04/02/2020

Holiday Inn Brook Street CM14 5NF
Hosts: Sarah and Tony Harding

progressivepropertynetwork.co.uk/brentwood

PPN Peterborough 17/02/2020

Holiday Inn Thorpe Wood Peterborough
PE3 6SG **Host:** Josh Shaw

progressivepropertynetwork.co.uk/peterborough

Colchester Property Circle

2nd Thursday of each month - 7.30pm

The Greyhound Pub, High Street, Wivenhoe
CO7 9AH **Host:** Phil Sadler

<https://bit.ly/2Kld96t>

Essex Property Network

2nd Tuesday of the Month

Holiday Inn
Brentwood CM14 5NF **Host:** Cyril Thomas

www.essexpropertynetwork.co.uk

Harlow Property Network in association

with Premier Property Club 2nd Thursday
of Every Month The Day Barn Harlow Study
Centre Nettesswellbury Farm (off Waterhouse
Moor) Harlow Essex CM18 6BW.

myproperty.coach

3 Eastbourne pin
1st Wednesday of the month
Royal Eastbourne Golf Club Paradise Drive Eastbourne East Sussex BN20 8BP **Host:** Lee Beecham
www.eastbournepin.co.uk

Woking pin **3rd Thursday of the month**
Hoebridge Golf Club Old Woking Road Woking GU22 8JH **Host:** Anne Woodward
www.wokingpin.co.uk

Oxford pin **1st Thursday of the month**
Jury's Inn Godstow Rd Oxford OX2 8AL **Host:** David Granat
www.oxfordpin.co.uk

Reading pin **1st Tuesday of the month**
Crowne Plaza Reading Caversham Bridge Richfield Avenue Reading RG1 8BD **Hosts:** Guy Brown and Rupal Patel
www.readingpin.co.uk

Berkshire pin **3rd Monday of the month**
Holiday Inn Maidenhead Manor Lane Maidenhead SL6 2RA **Hosts:** Andy Gaught & Jonathan Barnett
www.berkshirepin.co.uk

Southampton pin
1st Tuesday of the month
Chilworth Manor Hotel Southampton Hampshire SO16 7PT
Hosts: Nigel Bugden & Jon Woodman
www.southamptonpin.co.uk

Brighton pin
3rd Thursday of every month
The Courtlands Hotel 19-27 The Drive Hove East Sussex BN3 3JE
Host: Peter Fannon
www.brightonpin.co.uk

Basingstoke pin
4th Wednesday of the month
The Hampshire Court Hotel Centre Drive Great Binfield Road Chineham Basingstoke RG24 8FY
Hosts: Seb and Aga Krupowicz
www.basingstokepin.co.uk

Kent pin
1st Thursday of the month
Village Hotel Club Maidstone Castle View Forstal Road Sandling ME14 3AQ **Hosts:** Martin and Sarah Rapley
www.kentpin.co.uk

J6 Property Professionals & Investors Meet **2nd Tuesday of the month**
Aston Bond solicitors Windsor Crown House 7 Windsor Road Slough SL1 2DX **Host:** Manni Chopra
www.j6propertymeet.co.uk

The Property Vault
3rd Monday of the month
Eastgate 141 Springhead Parkway Northfleet DA11 8AD
Host: Dan Hulbert and Amy Rowlinson
www.thepropertyvaultuk.com

Surrey Property Exchange
2nd Monday of the Month
Holiday Inn Egerton Road Guildford GU2 7XZ **Host:** Richard Simmons
www.surreypropertyexchange.co.uk

Premier Property Club - Kent
2nd Tuesday of each month Castle View Forstal Rd Maidstone ME14 3AQ
www.PremierPropertyClub.co.uk

The Bucks Property Meet
Last Thursday of the Month
The Bull Gerrards Cross **Hosts:** John Cox and Rachael Troughton
www.Buckspropertymeet.com

Partners in Property Southampton
1st Thursday of the month
DoubleTree by Hilton Southampton, Bracken Pl, Chilworth, Southampton SO16 3RB **Hosts:** Sarah Smith, Sam Beddoe, Karen Stanbridge
<https://www.partners-property.com>

Premier Property Club - Brighton
1st Thursday of the Month
Jury's Inn Brighton Waterfront King's Road Brighton BN1 2GS
www.premierpropertyclub.co.uk/brighton

Eastbourne Wealth Investing Network **4th Wednesday of every month**
The View Hotel Grand Parade Eastbourne BN21 4DN **Host:** Jonas Elsen-Carter

Guildford Wealth Investing Network
1st Wednesday of every month
Old Thorns Manor Hotel Golf & Country Estate Liphook GU30 7PE
Hosts: Wendy Alexander & Adrian Brown

Crawley Property Meet
3rd Tuesday of every month
crawleypropertymeet.com Holiday Inn London-Gatwick Airport, Povey Cross Road, Horley, Surrey, RH6 0BA
Hosts: Tania Carson, Pam Mackenzie, Nick Parkhouse and Phil Williams.

Hampshire Property Network
2nd Wednesday of every month
The Solent Hotel, Whiteley, PO15 7AJ
Hosts: Mark Smith and HPN Team
www.hampshirepropertynetwork.com

PDPLA 2nd Monday of the month
The Inn Lodge Burrfields Road Portsmouth PO3 5HH. 7:30
Host: Joan Goldenberg
www.pdpla.com

Mid Surrey Wealth Investing Network **2nd Wednesday of every month**
Sutton United Football club, Gander Green Lane Sutton SM1 2EY **Host:** June Cruden

Property Expert Network Event (PEN)
Monday 3rd February 2020, 7.00pm - 10pm Solent View Room at Pyramids, Clarence Esplanade, Portsmouth, PO5 3ST **Guest Speaker:** Property Expert Network Event (PEN) **Topic of Discussion:** Project Management
<https://bit.ly/388pYZI>

The Reading Property Meet
Last Thursday of each month
Grosvenor Casino Reading South, Rose Kiln Lane, Reading, RG2 0SN
Host: Adam Vickers
<https://bit.ly/2WLwMGs>

Brighton Property Meet
3rd Wednesday of the month 6pm onwards The Cricketers, 15 Black Lion Street, Brighton, BN1 1ND
Hosts: Niall Scott & Matt Baker
www.scottbakerproperties.co.uk

PEN Kent
1st Monday of every month, 7pm till 10pm Tudor Park Marriott Hotel & Country Club, Ashford Road, Bearsted, ME14 4NQ **Guest Speaker:** Kim McGinley (Vibe Finance) **Topic of Discussion:** Property Finance Made Easy
<https://bit.ly/2N3BLkM>

Kent Property Meet
4th Wednesday of the month
Mercure Great Danes Hotel, Maidstone, ME17 1RE
Hosts: Jazz Doklu & Chrissy Kusytsch
www.kentpropertymeet.com

4 Bournemouth pin **2nd Tuesday of the month**
Village Hotel Bournemouth, Wessex Fields, Deansleigh Road, Bournemouth, BH7 7DZ
Hosts: Debbie & Mike Watts
www.bournemouthpin.co.uk

Cheltenham pin **3rd Tuesday of the month**
The Best Western Cheltenham Regency Hotel Old Gloucester Road Near Staverton Gloucestershire GL51 0ST
NEW Host: Phil Kiernan
www.cheltenhampin.co.uk

Devon pin **4th Thursday of the month**
Bucknell Lodge Hotel Topsham Road Exeter EX2 4SQ **Hosts:** Kevin & Sally Cope
www.devonpin.co.uk

Bristol pin **2nd Wednesday of the Month**
Holiday Inn Bristol Filton Filton Road Bristol Avon BS16 1QX **Host:** Nick Josling
www.bristolpin.co.uk

Salisbury pin **3rd Wednesday of the month**
Grasmere House Hotel, 70 Harnham Road, Salisbury, SP2 8JN **Hosts:** James and Malcolm White
www.salisburypin.co.uk

Swindon pin **4th Wednesday of the month**
Village Hotel Swindon Shaw Ridge Leisure Park, Whitehill Way, Swindon SN5 7DW
Host: Leo Santana
www.swindonpin.co.uk

PPN Bournemouth 25/02/2020
The Ocean Beach Hotel & Spa 32 East Overcliff Drive Bournemouth BH1 3AQ
Host: Leigh Ashbee
progressivepropertynetwork.co.uk/bournemouth

PPN Bristol 20/02/2020
Village Inn - Bullfinch Close, Filton, Bristol BS34 6FG **Hosts:** Paul Bennett and Paul Duval
progressivepropertynetwork.co.uk/bristol

PPN Exeter 04/02/2020
Sandy Park Way, Exeter EX2 7NN
Host: Traci Cornelius
progressivepropertynetwork.co.uk/exeter

PEN Wiltshire
Last Tuesday of the Month
Stanton Manor Hotel Stanton St. Quintin Near Chippenham Wiltshire SN14 6DQ **Host:** Neil Stewart
www.penwiltshire.com

Professional Investment Group (PIG) - Plymouth **3rd Monday of the month**
Boringdon Hall Hotel and Spa Boringdon Hill Colebrook Plymouth PL7 4DP **Host:** Angelos Sanders
www.pig.network

Bristol BMV Property Options **Last Thursday of every month** The Holiday Inn Bond Street Bristol BS1 3LE **Host:** Del Brown
www.bmvpropertyoptions.co.uk/ **property-investment-meeting-pim**

Professional Investment Group (PIG) - Cornwall **1st Monday of the month**
The Alverton Hotel, Tregolls Rd, Truro, TR1 1ZQ
Hosts: Angelos Sanders & Matt Pooley
www.pig.network

Torbay Free Property Meet
2nd Monday of the month from 7pm
Chelston Manor, Old Mill Rd, Torquay TQ2 6HW
Hosts: Ed Akay and Mel Richards
www.facebook.com/torbayproperty

Exeter Free Property Meet
First Thursday of the Month from 7pm
The Ley Arms, Kenn, Devon EX6 7UW
Hosts: Ed Akay and Keith Sparkes
www.facebook.com/exeterpropertymeet

5 Birmingham Central pin
1st Thursday of the month
Novotel Birmingham Centre Hotel 70 Broad Street Birmingham B1 2HT **Host:** Dan Norman
www.birminghamcentralpin.co.uk

Birmingham pin
3rd Thursday of the month
Crowne Plaza NEC Pendigo Way National Exhibition Centre Birmingham B40 1PS
Hosts: Andy Gwynn and Mary Collin
www.birminghampin.co.uk

Black Country pin
4th Wednesday of the month
Village Hotel Dudley Castlegate Drive Dudley West Midlands DY1 4TB **Host:** Phillip Hunnabale
www.blackcountrypin.co.uk

Coventry and Warwickshire pin
2nd Tuesday of the month
Citrus Hotel Coventry A45 London Rd Ryton on Dunsmore Warwickshire Coventry CV8 3DY
Host: Sebastian Buhour
www.coventryandwarwickshirepin.co.uk

Worcestershire pin
1st Wednesday of the month
Chateau Impney Hotel, Bromsgrove Road, Droitwich Spa, WR9 0BN
Hosts: Andy & Karen Haynes
www.worcestershirepin.co.uk

Stoke-on-Trent pin
2nd Wednesday of the month
Premier Inn Trentham Gardens Stoke Stone Road Stoke-on-Trent ST4 8JG **New hosts:** James and Jasmine Rogers
www.stokepin.co.uk

PPN Wolverhampton 04/02/2020
The Cleveland Suite, Wolverhampton Racecourse, Gorsebrook Road, Wolverhampton WV6 0PE **Host:** Liam McCullough
progressivepropertynetwork.co.uk/wolverhampton

PPN Birmingham 12/02/2020
Members Club House Edgbaston Priory Club Sir Harry's Road Edgbaston Birmingham B15 2UZ
Hosts: Kirsty Darkins, Stephen Fryer & Chris Taylor
progressivepropertynetwork.co.uk/birmingham

PPN Leamington Spa 19/02/2020
The Saxon Mill Coventry Road Guys Cliffe Warwick Warwickshire CV34 5YN **Host:** Mark Potter
progressivepropertynetwork.co.uk/leamingtonspa

Great Property Meet Warwickshire **3rd Monday of the month - 20th January** Dunchurch Park Hotel & Conference Centre Rugby Road Dunchurch, Warwickshire, CV22 6QW **Host:** Andrew Roberts
www.GreatPropertyMeet.co.uk

Saj Hussain's Property Meet **3rd Tuesday of every month (except August & December) - 6pm** Novotel Hotel, 70 Broad Street, City Centre, Birmingham B1 2HT
<https://www.sajhussain.com/networking>

THE PROPERTY HUB
1st Thursday of the Month
<http://thepropertyhub.net/meetups> **Birmingham** The Lost and Found Birmingham 8 Bennetts Hill Birmingham B2 5RS

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Luton pin 4th Tuesday of the month
Hampton by Hilton 42-50 Kimpton Rd
Luton LU2 0SX **Host:** James Rothnie
www.lutonpin.co.uk

Milton Keynes pin
3rd Wednesday of the month
Holiday Inn Milton Keynes 500 Saxon
Gate West Milton Keynes MK9 2HQ
Host: Reemal Rabheru
www.miltonkeynespin.co.uk

Leicester pin 1st Thursday of the month
The Fieldhead Hotel Markfield Lane
Markfield LE67 9PS **Host:** Jo and Gary
Henly www.leicesterpin.com

Nottingham pin
3rd Tuesday of the month
Park Inn by Radisson Nottingham
296 Mansfield Road Nottingham
NG5 2BT **Host:** Spike Reddington
www.nottinghampin.co.uk

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Liverpool pin 4th Thursday of the month
The Shankly Hotel Millennium House 60
Victoria St Liverpool L1 6JD
Hosts: Julie and Oliver Perry
www.liverpoolpin.co.uk

Manchester pin
3rd Wednesday of the month
Best Western Cresta Hotel
Church St Altrincham WA14 4DP
Host: Julie Whitmore
www.manchesterpin.co.uk

Chester pin 2nd Thursday of the month
Mercure Chester (formerly known as
Ramada) Whitchurch Road Christleton
Chester CH3 5QL **Host:** Hannah Fargher
www.chesterpin.co.uk

PPN South Manchester 27/02/2020
Best Western Plus Pinewood on Wilmslow
Wilmslow Road Cheshire
SK9 3LF **Host:** Mike Chadwick
progressivepropertynetwork.co.uk/wilmslow

PPN Blackpool 24/02/2020
Ribby Hall Village Ribby Road
Wrea Green Nr Blackpool PR4 2PR
Host: Niki Torbett
progressivepropertynetwork.co.uk/blackpool

PPN Liverpool 13/02/2020
Marriott Hotel One Queen Square
Liverpool L1 1RH **Hosts:** Andrew Budden &
Alison McIntyre
progressivepropertynetwork.co.uk/liverpool

TPM Meeting Warrington
4th Monday of every month
The Park Royal Hotel Stretton Road
Stretton Warrington WA4 4NS
Host: Susan Alexander
<http://thepropertymentor.eventbrite.com>

TPM Meeting Wigan & Worsley
4th Wednesday of the month
Holiday Inn Express Leigh Sports Village
Sale Way Leigh WN7 4JY
Host: Debra Long
<http://thepropertymentor.eventbrite.com>

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Cardiff pin
2nd Tuesday of the Month
Mercure Cardiff Holland House
Hotel & Spa 24-26 Newport Rd
Caerdydd Cardiff CF24 0DD
Host: Morgan Stewart
www.cardiffpin.co.uk

Watford pin 1st Thursday of the month
Aldenhams Golf & Country Club, Church
Lane, Aldenhams, Radlett, Watford,
WD25 8NN **Hosts:** Waseem Herwitker and
Shack Baker www.watfordpin.co.uk

Northampton pin
1st Thursday of the month
Holiday Inn Express Northampton,
Junction 15, M1, Loake Close, Grange Park,
Northampton NN4 5EZ
Host: Amelia Carter
www.northamptonpin.co.uk

Lincoln pin 4th Thursday of every month
Holiday Inn Express Lincoln City Centre
Ruston Way Brayford Park Lincoln
LN6 7DB **Hosts:** Ankie Bell and Hannelie
Ehlers www.lincolnpin.co.uk

PPN Derby 11/02/2020
Nelsons Solicitors Sterne House
Lodge Lane Derby DE1 3WD
Hosts: Mike Alder & Jamie Hayter
progressivepropertynetwork.co.uk/derby

ASANA North West Property Meet
1st Monday of each month
The Willows Douglas Valley A6 Blackrod
Bypass Blackrod Bolton BL6 5HX
Hosts: Howard Cain and Kathy Bradley
www.asanapropertyinvestments.co.uk

Manchester Property Investor
Breakfast 1st Friday of the month
(7.30am – 9.30am) Village Hotel
Ashton under Lyne OL7 0LY
Host: Fraser Macdonald
www.meetup.com/Manchester-Property-Investor-Breakfast

Property Leverage Network Manchester
1st Tuesday of every month Chill Factore
7 Trafford Way Urmston M41 7JA
Hosts: Andrew Wilcock & Gary Collins
<http://propertyleverage.co.uk/manchester>

Warrington Property Investors'
Meet Up 3rd Tuesday of the month from
7pm-9pm Olympic Park Unit 7 Olympic
Way 1st Floor Birchwood Warrington
Cheshire WA2 0YL (free parking)
Hosts: Patricia Li and Michael Hopewell
www.meetup.com/Warrington-Property-Investors-Meetup/

THE PROPERTY HUB

1st Thursday of the Month
<http://thepropertyhub.net/meetups>
Liverpool Punch Tarmey's Liverpool
31 Grafton St Liverpool L8 5SD

Manchester The Bridge Street Tavern
58 Bridge Street M3 3BW

Connect property network
1st Wednesday of the month
Wychwood Park Hotel, Wychwood Park,
Crewe, CW2 **Hosts:** Daniel Hennessy and
Scott Williams
www.connectpropertynetwork.co.uk

Kieba Property Meet
2nd Monday of the month
Crabwall Manor Hotel & Spa, Parkgate
Road, Chester, CH1 6NE **Hosts:** Kieran &
Dawn Toner - Kieba Property Ltd
www.kiebapropertymeet.co.uk

Swansea pin 4th Thursday of the Month
Village Hotel Langdon Road (Off Fabian Way)
SA1 Waterfront Swansea SA1 8QY
Host: Morgan Roberts www.swanseapin.co.uk

PPN Cardiff 13/02/2020 Village Hotel in
Cardiff, 29 Pendwyallt Road Cardiff CF14 7EF
Hosts: Sean Forsey & Phill Leslie
progressivepropertynetwork.co.uk/cardiff

PPN Northampton 18/02/2020
Hilton Hotel 100 Watering Lane
Collingtree Northampton NN4 0XW **Host:**
Kim Hendle
progressivepropertynetwork.co.uk/northampton

PPN Leicester 20/02/2020
Kirkby Muxloe Golf Club, Station Road,
Kirby Muxloe, Leicester, LE9 2EP
Host: Kal Kandola
progressivepropertynetwork.co.uk/leicester

Stevenage Wealth Investing Network
3rd Wednesday of every month
Stevenage Novotel Hotel Steveage Road
Knebworth Park SG1 2AX
Hosts: Stephen & Bridget Cox

UK Property Network Leicester
2nd Tuesday of the Month
The Field Head Hotel Markfield La
Markfield Leicestershire LE67 9PS
Host: Tracey Hutchinson
www.meetup.com/UKPN-Leicester

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Hull pin 2nd Thursday of the month
Mercure Hull Royal Hotel 170
Ferensway Hull East Yorkshire
HU1 3UF **Host:** Neil Brown
www.hullpin.co.uk

Leeds pin 4th Wednesday of the month
Crowne Plaza Hotel Wellington
Street Leeds LS1 4DL
Host: David Dixon
www.leedspin.co.uk

Harrogate pin
1st Wednesday of the month
Cedar Court Hotel Park Parade
off Knaresborough Road Harrogate
HG1 5AH **Host:** Paul Bellas
www.harrogatepin.co.uk

York pin 3rd Wednesday of the month
York Pavilion Hotel, 45 Main Street,
Fulford, York, YO10 4PJ **Hosts:** Mike Q
Hainsworth and Olga Hainsworth
www.yorkpin.co.uk

Sheffield pin
2nd Wednesday of the month
Mercure Sheffield Parkway Hotel
Britannia Way Sheffield South
Yorkshire S9 1XU
Hosts: Paul Hastings and Stuart Cooper
www.sheffieldpin.co.uk

Great North pin (12th February)
Usually 2nd Tuesday of the month
Mercure Newcastle George Washington
HotelStone Cellar Road, High Washington,
Newcastle upon Tyne NE37 1PH
Hosts: Mark Fitzgerald and Tim Ives

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Belfast pin
1st Tuesday of the Month
Balmoral Hotel Blacks Road
Dunmurry Belfast BT10 0NF
Host: Ian Jackson
www.belfastpin.co.uk

PPN Belfast 20/02/2020
National Football Stadium at Windsor
Park Irish FA, Donegall Ave, Belfast
BT12 6LW **Hosts:** Pete Lonton &
Danielle Bell
progressivepropertynetwork.co.uk/belfast

Belfast Property Meet
1st Thursday of the Month
The Mac Theatre St. Anne's Square
Belfast **Host:** Chris Selwood
www.belfastpropertymeet.com

Landlords National Property Group

1st Monday of the Month
The Derbyshire Hotel Carter
Lane East Derby DE55 2EH
Hosts: Paul Hilliard and Nick
Watchorn www.lnpg.co.uk

Midland Property Forum
3rd Thursday of the month
The Oldmoor Lodge Mornington
Crescent Nottingham NG16 1QE
Hosts: Kal Kandola Hannah Hally
Kelly Hally James Howard-Dobson
Steve Harrison
<https://www.facebook.com/MidlandsPropertyForum>

THE PROPERTY HUB

1st Thursday of the Month
<http://thepropertyhub.net/meetups>

St Albans The Beech House
81 St Peter's Street St Albans AL1 3EG
Nottingham St James Hotel No 6
Bar & Restaurant 1 Rutland Street
Nottingham NG1 6FL

www.greatnorthpin.co.uk

PPN Sheffield 18/02/2020
Mercure Hotel Britannia way Catcliffe
Rotherham Yorkshire S60 5BD
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds 11/02/2020 Hilton Hotel,
Neville Street, Leeds LS1 4BX
Host: Mo Jogee
progressivepropertynetwork.co.uk/leeds

Property Leverage - Leeds
3rd Monday of the month
The Stables Weetwood Hall Leeds
LS16 5PS (Location subject to change)
Host: Rob Hodgkiss (07398858256)

Property Leverage - Wakefield
1st Wednesday of the month
Kirklands Hotel Leeds Road Wakefield
WF1 2LU **Host:** Dominic Woodward
(07794223136)

Property Leverage Network – York
2nd Tuesday of every month
Beechwood Close Hotel
19 Shipton Road YO30 5RE York
www.propertyleverage.co.uk

THE PROPERTY HUB

1st Thursday of the Month
<http://thepropertyhub.net/meetups>
Leeds Dakota Deluxe Hotel 8 Russell
Street Leeds LS1 5RN

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Edinburgh pin
3rd Thursday of the month
The Leonardo Edinburgh Murrayfield
Hotel 187 Clermiston Road
Edinburgh EH12 6UG **Host:** Taimur
Malik www.edinburghpin.co.uk

Glasgow pin
2nd Tuesday of the month
Jurys Inn Glasgow, 80 Jamaica Street,
Glasgow, G1 4QG **Host:** John Kerr
www.glasgowpin.co.uk

PPN Glasgow 24/02/2020
The Corinthian Club, 191 Ingram St,
Glasgow, G1 1DA **Hosts:** Philip Howard
& Aaron Percival
progressivepropertynetwork.co.uk/leicester

Property Leverage Network - Glasgow
4th Tuesday of every month
Glasgow Pond Hotel Great Western Road
G12 0XP Glasgow United Kingdom
www.propertyleverage.co.uk

PROPERTY AUCTIONS

FEBRUARY 2020

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LONDON

Allsop Residential 13/02/20

InterContinental Hotel London Park Lane, 1 Hamilton Place, Park Lane, Mayfair, London, W1J 7QY

Allsop Commercial 11/02/20

The Berkeley, Wilton Place, London, SW1X 7RL

Acutus 12/02/20 The Montcalm Hotel, 2 Wallenberg Place, London, W1H 7TN

Auction House London 12/02/20, 12:00 London Marriott Hotel, Regents Park, 128 King Henrys Road, London, NW3 3ST

Savills (London - National) 12/02/20 The London Marriott Hotel, Grosvenor Square, London, W1K 6JP

Phillip Arnold Auctions, 17/02/20, 12:00 Doubletrees By Hilton, 2-8 Hanger Lane, Ealing, London, W5 3HN

BidX1 18/02/20, 09:00 Online Auction

Network Auctions 20/02/20, 14:00 The Westbury Hotel, 37 Conduit Street, London, W1S 2YF

Strettons 20/02/20, 12:00 Grand Connaught Rooms, Great Queen Street, London, WC2B 5DA

McHugh & Co 24/02/20, 12:00 The Montcalm Hotel, 34-40 Great Cumberland Place, London, W1H 7TW

Harman Healy 25/02/20 Kensington Town Hall, 195 Hornton Street, London, W8 7NX

Town & Country Property Auctions London 25/02/20, 12:30 Marriott Hotel, 140 Park Lane, London, W1K 7AA

Barnett Ross 27/02/20, 12:00 Hyatt Regency London the Churchill, 30 Portman Square, London, W1H 7BH

NORTH WEST HOME COUNTIES

Town & Country Property Auctions Beds, Bucks, Herts & Northants

24/02/20, 13:00 Moor Park Golf Club, The Orangery, Rickmansworth, WD3 1QL

Auction House Robinson & Hall 26/02/20, 14:30 Delta Hotel, Timbald Drive, Kents Hill, Milton Keynes, MK7 6HL

Romans 27/02/20, 13:30 Green Park Conference Centre, 100 Longwater Avenue, Reading, RG2 6GP

NORTH WEST

Edward Mellor Auctions 04/02/20

The Sheridan Suite, 371 Oldham Road, Manchester, M40 8RR

Auction House North West

06/02/20, 14:00 Bolton Wanderers Football Club, Macron Stadium, Burnden Way, Bolton, BL6 6JW

Venmore Auctions 12/02/20, 13:00 Liverpool Town Hall, High Street, Liverpool, L2 3SW

Sutton Kersh Auctions

13/02/20, 12:00 The Hilton Hotel, Thomas Steers Way, Liverpool, L1 8LW

Cumbrian Properties - The Agents Property Auction 18/02/20, 18:00

The Auctioneer, Shepherds Inn, Carlisle, CA1 2RR

Pugh & Company 25/02/20m, 12:00 AJ Bell Stadium, 1 Stadium Way, Manchester, M30 7EY

Andrew Kelly Auctions 26/02/20 Rochdale Football Club, Sandy Lane, Rochdale, OL11 5DR

Town & Country Property Auctions Wrexham 27/02/20 18:30 Grosvenor Pulford Hotel & Spa, Wrexham Road, Pulford, CH4 9DG

YORKSHIRE AND THE HUMBER

Regional Property Auctioneers

19/02/20 Doncaster Rovers F.C., Keepmoat Stadium, Doncaster, DN4 5JW

Mark Jenkinson & Son

25/02/20, 14:00 Platinum Suite, Bramall Lane, Sheffield, S2 4QZ

Pugh & Company 27/02/20, 12:00 Leeds United Football Club, Elland Road, Leeds, LS11 0ES

WEST MIDLANDS

Loveitts 06/02/20, 18:30 Village Urban Resort, Dolomite Avenue, Coventry Business Park, Coventry, CV4 9GZ

Bond Wolfe Auctions 27/02/20, 10:30 Holte Suite, Aston Villa FC, Trinity Road, Birmingham, B6 6HE

SOUTH-EAST HOME COUNTIES

Town & Country Property Auctions

South East 06/02/20, 13:00

Holiday-Inn London-Gatwick Airport, Povey Cross Road, Horley, RH6 0BA

Clive Emson Kent & South East

London 10/02/20, 11:00 Clive Emson Conference Centre, Kent County Show Ground, Maidstone, ME14 3JF

Clive Emson Essex, North & East

London 11/02/20, 11:00

The Chelmsford City Racecourse, Moulsham Hall Lane, Great Leighs, Chelmsford, CM3 1QP

Clive Emson Sussex & Surrey

12/02/20, 11:00 Hilton Brighton Metropole, 106-121 Kings Road, Brighton, BN1 2FU

Fox & Sons (Southampton)

13/02/20, 13:00 Macdonald Botley Park Hotel, Winchester Road, Botley, Southampton, SO32 2UA

Clive Emson Hampshire & Isle of Wight

14/02/20, 11:00 Solent Hotel, Rookery Avenue, Fareham, PO15 7AJ

EAST ANGLIA

Auction House East Anglia

12/02/20, 11:00 Dunston Hall Hotel, Ipswich Road, Dunston, Norwich, NR14 8PQ

Auction House East Anglia

13/02/20, 14:00 Holiday Inn (Wolsey Room), London Road, Ipswich, IP2 0UA

Auction House East Anglia

14/02/20, 12:00 Knights Hill Hotel, Knights Hill Village, Grimston Road, Kings Lynn, PE30 3HQ

EAST MIDLANDS

Shonki Brothers (Granby Street)

26/02/20, 18:00 Leicester Race Course, Oadby, Leicester, LE2 4AL

Auction Estates 27/02/20, 14:30

Nottingham Racecourse, Colwick Road, Nottingham, NG2 4BE

SCOTLAND

Town & Country Property Auctions

Scotland 26/02/20, 14:00 House for an Art Lover, 10 Dumbreck Road, Glasgow, G41 5BW

SOUTH WEST

Kivells Bude 12/02/20, 19:00

Falcon Hotel, Bude, EX23 8SD

Kivells Holsworthy 12/02/20, 19:00

Eagle House Hotel, 3 Castle Street, Launceston, PL15 8BA

Kivells Launceston 12/02/20, 19:00

Eagle House Hotel, 3 Castle Street, Launceston, PL15 8BA

Clive Emson West Country

13/02/20, 11:00 St. Mellion International Resort, St. Mellion, Saltash, PL12 6SD

Strakers 13/03/20, 19:00

The Steam Museum, Fire Fly Avenue, Swindon, SN2 2NA

Town & Country Property Auctions

Dorset & Hampshire 13/02/20, 18:30

The Village Hotel, Deansleigh Road, Bournemouth, BH7 7DZ

Symonds & Sampson LLP

01/02/20, 15:00 Allendale Community Centre, Hanham Road, Wimborne, BH21 1AS

Maggs & Allen 24/02/20, 19:00

The Bristol Pavilion, Nevil Road, Bristol, BS7 9EJ

WALES

Paul Fosh Auctions 06/02/20, 17:00

The Cardiff North Hotel, Circle Way East, Llanedeyrn, Cardiff, CF23 9XF

All Wales Auction - North Wales

Auction 20/02/20 M-S Parc, Parc Gwyddoniaeth Menai, Gaerwen, LL60 6AG

Dawsons 26/02/20, 15:00

Swansea Marriott Hotel, Maritime Quarter, Swansea, SA1 3SS

NORTHERN IRELAND

Wilsons (Northern Ireland) 27/02/20

Mallusk Auction Complex, 22, Mallusk Road, Newtownabbey, BT36 4PP

REA Leinster Auction

12/02/20, 15:00 Killashee Hotel, Kilkullen Rd, Naas

O'Donnellan & Joyce 28/02/20, 12:00

The Harbour Hotel, The Docks, County Galway

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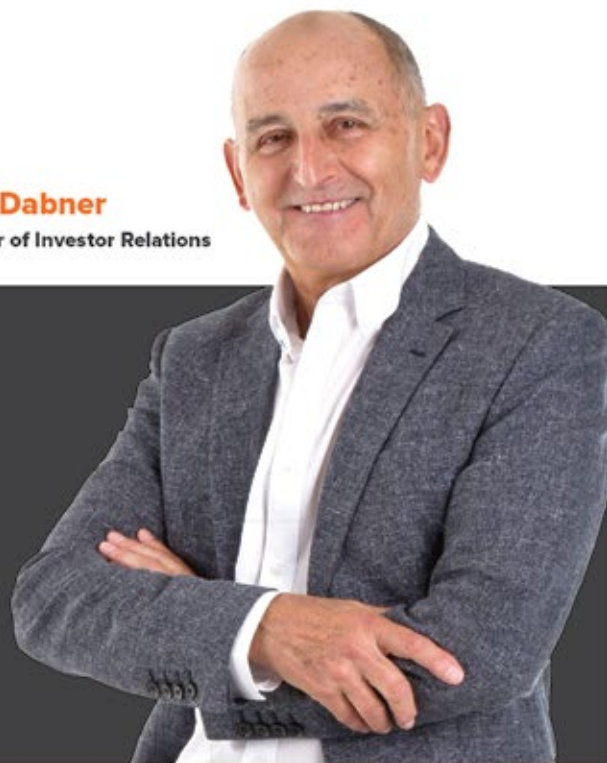
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