

Issue 141 March 2020

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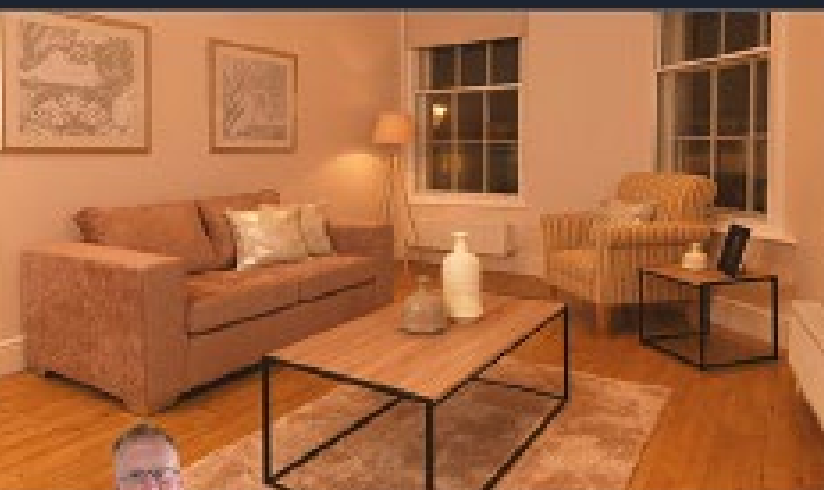
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WELCOME TO THE MARCH EDITION OF YOUR PROPERTY NETWORK!

I must admit, I don't find March the brightest of months. Christmas and New Year are nothing but distant memories and the warmth of summer is still a far-off dream. This is why this issue could not have come at a better time!

This month we're looking at all forms of serviced accommodation, from corporate lets to hotel rooms to holiday lets. Hopefully you'll find some inspiration on whether this is a strategy you might consider within your portfolio, and if it is, which particular branch of it you'd like to focus on.

I'm sure everyone is familiar with finding the perfect Airbnb for family holidays or weekend breaks with friends (or maybe even a soulless apartment you ended up staying for six months during your corporate career). In this feature, you'll find out what makes guests tick ... all while setting up the business to be as passive as possible **AND** still creating great returns. Too good to be true? Our case studies suggest the opposite.

Even if serviced accommodation isn't for you, then there is still plenty within these pages to inspire, educate and motivate you. As always, we have the best of the best to update us on changes in legislation and mortgage products, as well as a couple of new faces who we hope will remain with us as long-lasting contributors.

Whatever your chosen path, be confident and be true to yourself!

Angharad

Jayne is away but will be back next month.



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Stand Out From the Crowd

Gain a Competitive Advantage for your Business
by Joining the Sourced Network

(Photo: Shahid Aslam, Sourced Manchester Central at Media City Manchester - has room to rent (airport))



Imagine, you're the managing director of a multi-million pound property development company and you're looking for a firm to sell your properties. Who would you rather work with: an established agency with a large portfolio and a database of international investors or a property sourcer operating on their own?

Many one-man bands in the property industry can relate to being judged by the bigger players. Whether it's your "unprofessional email address" or the quality of your logo etc, you should really be seen for your property skills and knowledge.

It all comes down to one thing: the decision-makers of big companies look for partnerships with businesses who are

reputable, have a proven track record and can be trusted on delivering their proposals.

Having a recognisable, trusted brand name behind you can open the doors to working with bigger companies, generating a steady cashflow.

Being faced with the issue himself, Shahid Aslam joined Sourced Franchise alongside his son Zak, which allowed him to scale his property sourcing business, all thanks to having the Sourced brand and reputation behind him.

After years of experience in trading property deals, Shahid wanted to step up, working with larger developers and landlords who had sizable portfolios.

Despite his success, Shahid found it challenging to convince larger companies to work with him.

He quickly realised that what he needed was to join a larger network and put a reputable brand behind him.

Joining Sourced has been one of the best business decisions I've made.

Very soon after joining Sourced, Shahid started reaping the benefits. In January alone, the father and son duo

sold over 20 rent to rent deals, each within 48 hours of passing them to Sourced HQ team for marketing.

The typical sourcing fee a franchisee earns per deal ranges between £3,000 - £4,000, making January successful and profitable for Shahid and Zak.

Shahid says:

"Joining Sourced has been one of the best business decisions I've ever made. Before joining, I wouldn't have dreamt of doing multi-million pound deals."



What is Sourced Franchise?

Sourced Franchise is the first and only property sourcing Franchise in the UK. It has grown to become the largest network of professional property sourcers. Sourced Franchise is one of 5 different arms of the business, all working in coordination to create an ecosystem of services and resources for property investors of all levels.

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DIFFERENT MODELS OF SERVICED ACCOMMODATION

WHICH ONE WILL WORK BEST FOR YOU?

S

erviced accommodation is a huge topic. With BTL landlords still under the government spotlight, lots of property people are turning to SA in its differing forms and there's no doubt that it can be a very lucrative strategy. A well-run apartment with good occupancy rates can yield a much higher return than it would as a standard rental.

Because many of us come to the idea from a property investing mindset, we might think of it as a property strategy, but in reality serviced accommodation falls firmly within the hospitality sector. As soon as you take on your first SA unit, you have a hospitality business as well as a property investment.

Although the first thought that might come to mind is renting out apartments for short-term stays, this is only one aspect of SA. There are several different models that sit under the serviced accommodation umbrella. As well as serviced apartments, these include traditional guest houses, B&Bs and hotels, but more and more often we're also seeing a newer breed of self-service rooms within a single building. While similar to a guest house, the attraction of the self-service model is that the service element is less onerous – no bar or catering facilities are provided, although a shared kitchen is often available for guests to prepare their own food. Guests can also check themselves in, so there is no need to have a desk manager on site.

This doesn't mean that you can scrimp on the services that are provided – a rule that holds true whichever SA strategy you follow. Guests expect a high standard of cleanliness and furnishings, good quality linens and easy communication with a host who responds quickly to any questions or issues. You might also choose to provide other service elements depending on the type of property

you have (rooms, apartments or houses) and the type of guests you want to attract. For example, many choose to provide a welcome pack, which can range from a tea/coffee tray with biscuits, to a selection of breakfast goodies, bread, cakes, milk, etc at the higher end of the market.

As well as different types of properties, there are different guest markets, and these can vary widely depending on location. SA customers include holidaymakers, families, tourists, weekenders, business people, contractors, digital nomads, relatives of people in a nearby hospital, people coming to the area for a cultural event (think Glastonbury festival or Edinburgh fringe!) ... the list goes on.

You can't be everything to everyone and it will pay to do your research. Before you secure and set up your first SA property, you will need to know who you are setting it up for. Who will be visiting your area and why?

The investors featured on the following pages have been operating their SA businesses for some years. With experience in different sectors and following different strategies to accommodate their locations they share with you here what they've learned over the years so that you can get your SA business up and running quickly, efficiently and profitably from the get-go.

- **Mark Fernihough** focuses on the self-service guest house model for the tourist market in Cornwall and Devon.
- **Chris Peel** has a portfolio of serviced apartments across London.
- **Richard Evans** targets corporate clients for his serviced apartments in the South East.
- **Mike & Carey McKeown** have extended beyond their own SA portfolio to set up an agency managing other people's SA properties. Based in Herefordshire, they manage a wide range of properties and attract lots of different types of guests.
- **Gillie Barlow** runs self-service guest houses in Oxford in a way that is as passive as is possible for this sector. She explains how to set up your own SA business with this in mind from the start.

Jayne

THE CONTEMPORARY GUEST HOUSE MODEL

Updating old B&Bs to self-service rooms yields sunny returns in prime holiday destinations.

Interview & Words: **Raj Beri**

Following on from his article in the January 2019 issue of YPN where Mark described his “accidental” foray into the world of Serviced Accommodation, in this article Mark further elaborates on the progress he has made to scale this business. Based on limited funds, the way that commercial leisure property is valued and concerns around regulation of Serviced Accommodation, Mark has pursued a niche strategy of acquiring only guest houses and small hotels using lease options.

YPN: Tell us about your background and why you decided to become a property developer?

Mark: I had owned and managed a car dealership since 2004 and it had grown to a reasonable size. My parents had done a few things in the property sector and I have been a landlord for around 15 years with one BTL flat. Over the years my wife and I have also done a couple of flips to work our way up the property ladder, so the interest has always been there. Around four years ago, we decided that we wanted to focus on property full time but continued to run the car dealership.

In December 2018, we closed the car business to focus on property full time. To be honest, the car business was getting tougher and not profitable at the end. What really helped in the decision making was that we knew property to be a safe long-term investment.

YPN: Why did you decide to get some property education and how did that help you define your strategy?

Mark: I'd read a few books and we had already started to do a property development project without any training when we came across Progressive Property and Touchstone Education. My family had some property experience but I decided to get a bit of formal training to do things properly and then scale the business. We knew that we wanted to invest locally but not which strategy to focus on, so I've ended up doing a lot of training. Having considered our experience, skillset and loca-

tion, this led to the decision to focus on student HMOs – serviced accommodation appeared by “accident” which led to a change in our strategy.

The first “accidental” SA project was a baptism of fire because we ran it on a 15-bedroom boutique student HMO we had developed, so had 15 SA units to fill! Not surprisingly, this really focused the mind and I began to appreciate that systems are a huge part of serviced accommodation. The first SA project became a worthwhile trial and we realised that it would be more financially viable. We also realised that it would become easier and more efficient with experience, and that if we documented our processes, we could eventually outsource certain operations.

Looking back, we definitely made the right decision to use the newly developed student HMO rooms as SA units otherwise they would have sat empty for nine months, with no income as we had missed our planned academic year.

YPN: Let's talk about your SA model and how you source and secure deals

Mark: Our model is very specific, almost a niche within a niche. Because we decided to close the garage, we were in the unenviable position of having to replace three incomes. It was clear that whatever we did, it needed to generate great income and be scalable.

Because funding for commercial leisure property is almost non-existent without one to two years' trading accounts, our model



was very specific with the plan to acquire guest houses and small hotels on Purchase Lease Options (PLO). The strategy is to secure properties at today's prices and then add value (and income) by creating more sellable rooms from areas of the property no longer required for our business model, eg the owner's accommodation, the dining room and the bar area. Two or three years down the line, we'll be able to get finance to exercise the option based on a commercial EBITDA valuation.

There is plenty of stock locally because the leisure industry is changing based on guest expectations and the ability to market widely to potential guests. A lot of the guest houses and small hotels actually close for winter; this is due partly to lower demand but also to the owner operators needing a break after a busy summer season. Because of this, their accounts aren't great and it's clear that some people running these premises don't know enough about modern SA marketing, so just close for six months of the year.

CASE STUDY

OCEAN HOUSE, PARK AVENUE, ST IVES

Brief Description: Previously a traditional B&B. Now a fully automated, self-catering guest house with 8 en-suite serviced rooms and communal kitchen/diner

Agreed option purchase price: **£535,000**

Monthly Lease/Rent **£1,800**

Pre-payment Deposit **£10,000**

Professional Fees **£6,446**

Renovation: **£42,382**

Set-up Costs: **£17,387**

Planning costs: **£0**

Cash in for approx 2-3 years: **£76,215**

Forecast EBITDA commercial valuation: **£904,000**

59% LTV commercial facility: **£535,000**

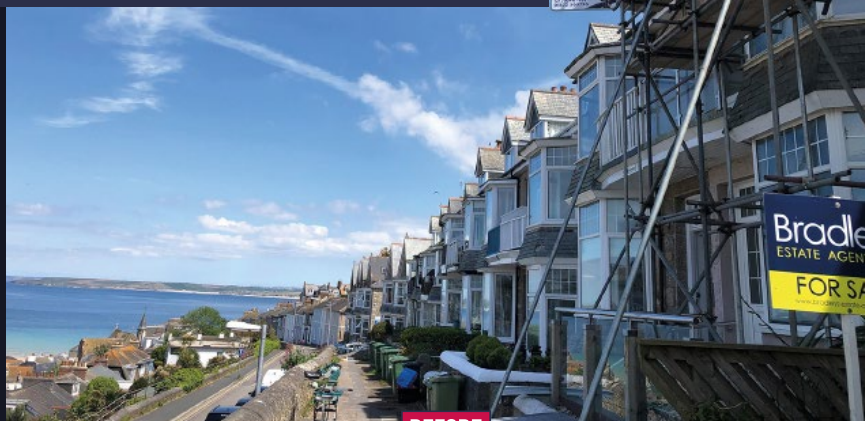
Cash left in: **£0**

Gross Income per annum: **£137,000 excluding VAT**

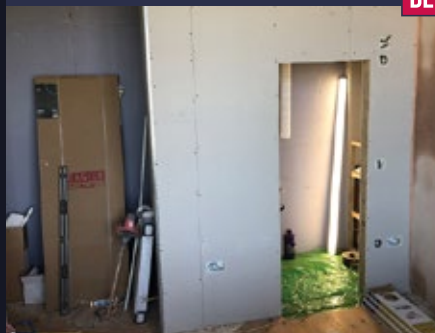
Net Income per annum: **£68,500**

ROI: **89% per annum for approx 2-3 years**

ROI once option is exercised/
commercially financed: **INFINITE**



BEFORE



AFTER



Disposing of an asset through a Purchase Lease Option won't suit every vendor so it becomes a numbers game and is all part of our systemised sourcing and offering process. In general, if a vendor is interested in a PLO structure, we'll discuss everything and offer a higher purchase price with lower lease or vice versa. We've sourced deals entirely through agents who we've built a relationship with over time and who understand our business model, but it's still a case of analysing lots to find ones that stack and work for everyone.

I have been through our CRM system and can tell that over the last 12 months, we have evaluated 54 properties, viewed 20 and then entered into negotiations on some of these. We work with lots of agents to source deals and they all work differently regarding how they need to be paid by the vendor on a PLO, so it's a case of working with them to find mutually agreeable solutions.

In our model, we focus on commercial properties with the right planning class, so just C1 planning class guest houses and hotels, which are located in researched target areas. We will only consider deals that can give us and our investor partners a great return from the start and a secure, long-term asset.

YPN: Tell us more about your area of operation and what research you did to identify the client base

Mark: The majority of business in Cornwall is done in the summer when the population doubles, so it's relatively easy to generate income during that period. The key, however, is to be able to maximise summer income

and also generate a profit in the winter. We have done a lot of analysis looking at different areas, looking at the locations of the Premier Inn's and the Travelodge's and looking at larger industry in different towns.

As the market is similar across certain local towns, our focus has become the South West, particularly Devon and Cornwall.

We are comfortable with the level of winter and summer trade, although this does vary from town to town. Simplistically, one can split the calendar year into low, mid and high season, with each getting different seasonal rates and occupancy.

As I mentioned earlier, we learnt a lot about our model and the local market during the SA trial of the student HMO we had developed. In hindsight, this was very beneficial as we just got on with it and occasionally learned through trial and error. Obviously, these days we have processes, use different OTAs and constantly assess the local pricing to remain competitive.

Our model in the immediate future will continue to be rooms and apartments based on the type of deals we are securing, ie small hotels and guest houses, which are already in that configuration. Minimal work coupled with securing deals via lease options minimises the capital outlay. Our model also works for families who just book multiple rooms much like in a hotel. To improve the winter occupancy when we have different customers, we offer discounted rates to people who book for longer stays, eg

one-three months. This could be contractors or people that are between house purchases who don't want to live in a hotel or can't afford a hotel for this amount of time. We're constantly trying to find ways to market to people that need longer-term accommodation, which is perfect for us out of season.

YPN: Tell us about your first and second case studies

Mark: We started off by building relationships with commercial agents and one of them contacted us because they felt that a lease option might work for one of their vendors. Perhaps we got lucky with the agent but perhaps it was because we were proactive to build the relationship in the first place and he understood what we were trying to achieve.

It turned out that the owner had another business and wanted to move up north. They weren't living at the property and they didn't need the capital from an immediate sale so were happy with the rent and buy later option - the vendor is a businessman who was able to look at it from a commercial perspective. To prove our business model and credibility to potential investors, we used our own money for the first case study. This approach also allowed us to get up and running much quicker and generate real figures rather than just forecasts.

Ocean House was a six-bedroom guest house and we created two extra bedrooms from the very large dining room together with converting a semi-commercial kitchen/storage area into a nice residential-style kitchen/diner. No planning consent was required although we obviously had to comply with building control for the works.

CASE STUDY OASIS HOUSE & APARTMENT, DRACAENA AVENUE, FALMOUTH

Brief Description: Previously a traditional B&B. Now a fully automated, self-catering guest house with 7 en-suite serviced rooms and communal kitchen/diner. Plus 1 bed self-contained serviced apartment.

Option Purchase price:	£510,000
Monthly Lease/Rent	£1,500
Pre-payment Deposit	£12,500
Professional Fees	£10,764
Renovation:	£23,606
Set-up Costs:	£15,957
Planning costs:	£0
Cash in for approx 2-3 years:	£62,827
Forecast EBITDA	
commercial valuation:	£811,000
63% LTV commercial facility:	£510,000
Cash left in:	£0

Gross Income per annum:	£123,000 excluding VAT
Net Income per annum:	£61,500
ROI:	98% per annum for approx 2-3 years
ROI once option is exercised/ commercially financed:	INFINITE



BEFORE

The project required very little work to the six bedrooms on the first and second floor, so it was just the ground floor that was reconfigured.

Ocean House has been operational since July 2019 so we now have six months management accounts, and it's actually performed better than we had forecast.

The second case study is Oasis House & Apartment which is about 100 yards down the road from my own house and had been on the market for some time. We had first viewed it nine months before doing the deal. Initially our PLO offer was not of interest to the owners, but because the property was not selling and their motivation had changed over time they reconsidered and we were able to structure a deal that worked for all parties.

For this particular deal, we have worked with an investment partner and that's what we will do with all future projects. The fact that we had already run the "trial" in our student HMO and had Ocean House

underway helped in securing investor interest, although at the time we didn't have management accounts as Ocean House was not trading at that point. Nevertheless, the investor was happy with our model, our "trial" numbers and projection - the fact they are business people really helped.

Each deal with a different investor is set up under a new trading company with legal shareholder agreements as they are investing in a long-term business and will be entitled to a share of the ongoing profit and a share of the equity growth. When we exercise the option, their capital will be repaid and their ROI will become infinite. This type of arrangement is a great investment for our partners and allows us to scale at a faster rate.

YPN: Tell the readers more about the operational side of the business

Mark: Currently, our property business consists of myself and my brother – my role is more on the business side of things, eg finding and negotiating the deals, working with investors. My brother runs the operational side so he deals with the project management, property setup and then guest relations.

MARKETING

We have not really had any specific challenges with marketing. Some SA operators do seem to moan a lot about the commission they have to pay the OTAs but we see their service as critical to our business as they have spent millions on marketing and setting up their booking systems for end-users like us. We often pay higher than the standard 15% charge just to get higher up the listings. We truly believe that there isn't another business which is as leveraged as this. With the main portals of Booking.com, Airbnb, and Expedia, you literally have people booking from all over the world, 24/7 - what could be easier than that?

In addition to using the OTAs, we also offer discounts to people who book directly through our own booking website, so we also try to ensure repeat direct bookings via social media and email marketing. Using a channel manager is key in this business and we now use Beds24 (www.beds24.com) having trialled one other and researched the rest.

A key part of marketing are the seasonal price points, so initially it was a bit of trial and error but now, having done three projects, we have this fully calculated. Additionally, we live locally so that helps in knowing the market and finally, it's very easy to look at the competition online. Over time we have developed a dynamic pricing model driven by bespoke software. This allows our pricing to be based on time of year, length of stay and occupancy with the channel manager and revenue management system being fully synchronised. After a guest stays with us, the software drives all the follow up marketing through email and social media etc.

Currently, we personally monitor all operations on a daily basis so that we can make any necessary tweaks based on the data we are collecting. These are daily tasks, but they only take up a small amount of time because of the systems and processes we are continuously creating. We have thought about offline marketing, but have decided to stick with 100% online.

Looking forward, branding will be very important for us on two fronts: (1) Prosper Property, which is our property investment arm to attract investors and (2) Prosper Serviced Accommodation, which is the guest focused serviced accommodation company.



SYSTEMISATION

One of the reasons why we love the serviced accommodation model is that the vast majority of it can be automated with the right systems. Having said that, it takes a huge amount of effort for the initial set up and we're constantly tweaking and improving. Right from the outset, we have worked with professionals who can help us do our jobs more efficiently. As an example, we have had a bespoke CRM system set up by Steven Lai at Super Developments. We also work with a virtual assistant supplied through Steve Day at Systems & Outsourcing who creates our operations manuals, carries out general admin and data scraping for our property sourcing process. They've both been instrumental in the setup of our businesses and putting everything in place in preparation to really scale.

The vast majority of bookings will initially come through an OTA, so the first important thing is to select and set up the right OTAs and channel manager. There are a lot of channel managers out there, so some research will be required to find the one best suited for your business. Once guests make the booking via an OTA, any follow up communication comes from a guest management software system that's linked to our channel manager. At this point we also collect people's email addresses within the guest management software system rather than communication via the OTAs messaging system.

We don't "meet and greet" guests but they are provided all necessary information in a timely manner – this includes access to an online guest area with manuals, photographs etc, including the opportunity to buy early check-in or late check-outs. Guests are also given a unique door code which allows access to the building and apartments. It's also imperative that guests feel that any communication is coming from us, so we have worked with a copywriter to create "personalised" messages, whilst being mindful of our brand. We want their stay to be as smooth and seamless as possible, with minimal contact with us.

Of course, problems can arise so our guest systems give them access to 24h support. One of the contact points is my brother Paul, with the other one being the housekeeping team, so someone is always at hand.

Follow up is very important so our software will request a review after their stay and if that review is at a certain level, it will prompt and push guests direct onto the OTA site that they booked through to write their comments. If people do have an issue and indicate that in the review, we have the opportunity to contact them to address their concern, which then hopefully encourages them to leave a more positive one on the OTA's site if they decide to.

"Obviously, one needs reliable teams on the ground for the day-to-day operational matters"

In our location, the tourist industry has been around for a long time so there are a lot of reliable service providers. Housekeeping is critical to the success of the business and our teams of housekeepers utilise the bespoke software to undertake room changes and set up to meet our standards. We have decided to use companies that are large enough to have sufficient cover in case of sickness or holidays, but small enough to care about the service they provide using our documented procedures.

Most of the trades we use are local and each one can deal with ongoing maintenance and emergency call-outs should they occur. My brother Paul is on call 24h at the moment, but in due course we'll employ someone to take over most of the day to day operational matters. To reduce call outs in general, it's worth keeping the properties well maintained through preventative maintenance and we identify potential maintenance issues from housekeeper reports and from comments people leave on reviews.

YPN: Where is your business heading in the next few years and what tips could you share with our readers thinking about SA as a strategy?

Mark: We're looking to add three more multi-unit properties to our business in 2020 and then doubling that in 2021. The SA sector is ripe for legislation changes at some point so readers should think about ways to future proof their businesses. That's one of the reasons we will stick with scaling through acquisition of C1 planning class properties (ie hotels and guest houses) rather than residential properties. In this way, we are operating in a planning class that will always allow us to do what we are doing, so fully protected.



TOP TIPS

- 1 **Get some training because SA is a very challenging investment strategy and you need to learn about business setup, creating the right product and having the right systems.**
- 2 **Acquiring the right deal is a numbers game so get out there by speaking to agents and doing viewings or doing direct to vendor marketing – the deals are not going to come to you.**

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.prosperproperty.co.uk

Direct: [Facebook](https://www.facebook.com/markatprosperproperty) or mark@prosperproperty.co.uk

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

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



THE SERVICED APARTMENTS MODEL

SA SECRETS

WHAT I'VE LEARNED SINCE STARTING MY BUSINESS



CHRIS PEEL

In this article, I'm going to lift the hood on my SA business. Hopefully you can take away some of the things that I've found work well, and learn from what didn't go as well as they could have done.

But who am I and why should you listen to what I have to say? My name is Chris Peel, I've been running serviced apartments in London for three and a half years and have personally done over 40 serviced apartment deals.

When I started out, I saw the potential of the strategy very quickly and left my corporate job at PWC after doing just two deals to pursue the strategy full time. Today, I run a London-wide serviced accommodation management business,

managing apartments for clients as well as our own portfolio. This means I can shed some light on the biggest geographical SA market in the UK for you.

Enough about me ... let's dig deeper into this complex strategy. If you have another look at the description of serviced accommodation on the intro page of this feature (page 5), then considering the extra work involved, the first question you might ask is why would I (or anyone else in property) do all that? It sounds like a lot of extra work! And you're right, it is. But with hard work comes rewards. Take the rent-to-rent apartment in Case Study #1 from my portfolio as an example (I'll use December's numbers as they're the most recent).

CASE STUDY #1:

Edgware Road

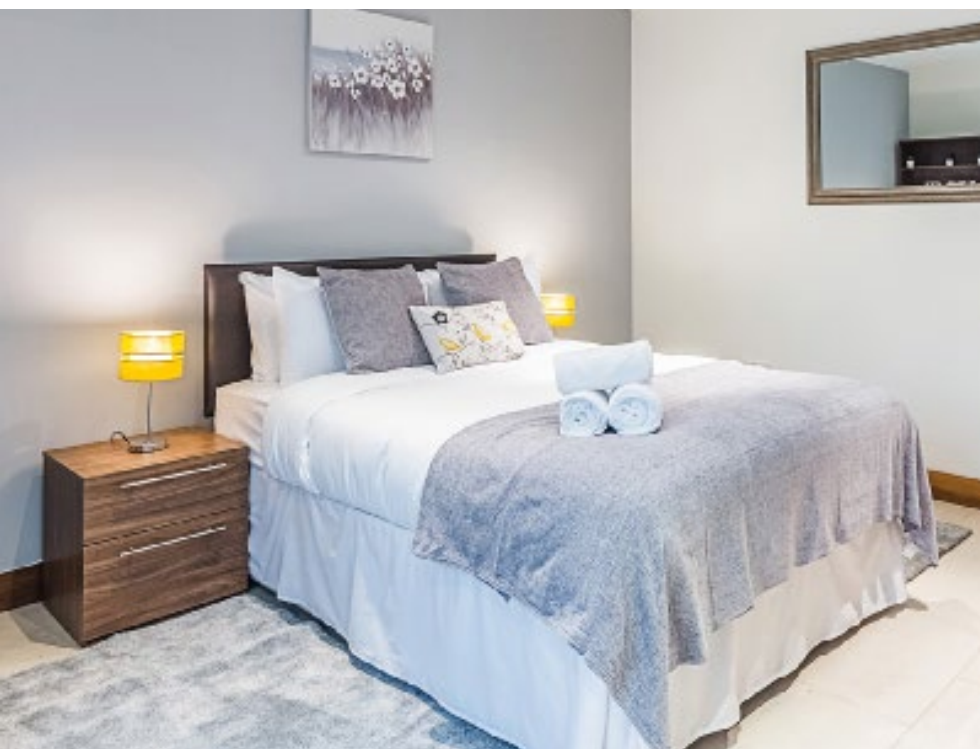
Large 2-bed / 2-bath apartment

• Av nightly rate:	£289
• Nights booked:	29
• Total sales:	£8,352
• Cleaning charges and extras:	£607
• Total gross income:	£8,968
• Rent to landlord:	£3,500
• Variable Expenses (cleaning, linen, commissions, maintenance, bills, etc):	£2,400
• Profit:	£3,068
• Money in up front:	£2,800
(no deposit, £2,500 for furnishings, £200 photos and videographer, five days to set up)	

I don't know of a single investment opportunity out there that can return your investment in a single month and make a profit for the rest of the term. This is literally thousands of percent return on my investment. Do you have, or could you get, £2,800 if it was going to earn you that sort of return? How much is your bank paying you right now?

Here's another way to look at it ... Guaranteeing £3,500 in rent per month is a large risk exposure. That's why having **outstanding marketing** for your properties is absolutely essential to make sure your **occupancy rates** stay high and your nightly rates are lucrative. These are basically your two biggest metrics to hit.

So how do we do it? Well the first and most basic place to start is with the OTAs. The booking.coms and Airbnbs of the world. It's super easy to set up your property on Airbnb! From start to finish, you can create a kick-ass advert in as little as 30-40 minutes and be live online to sell nights at your apartment.



THE IMPORTANCE OF PHOTOS

The old adage of a picture being worth a thousand words is priceless advice. I literally can't remember the last time I read past the opening paragraph of a property listing's description when booking a place. These days, people are in a rush and everyone is short of time, so we tend to flick through pictures to get a feel for a place. For this reason, you want your first five pictures to really showcase your apartment.

A nice full-room photo showing off each room of your property will help capture the attention of people short on time. Back them up with a punchy description that sells the benefits of your place over everyone else's on the market and you'll be on to a winner.

I recently sat down with someone to help them compare listings in their area to figure out how we were going to beat the competitors, and honestly? It wasn't that difficult. People put up some rubbish listings with dark and gloomy photos taken on a smartphone. It'll pay dividends to spend a bit of time getting your photos right. Hire a professional photographer who will likely use stage lighting and tripods, and you'll find your ad capturing attention over others.

PROVIDE THE RIGHT INFORMATION

The second tip for working with OTAs is to learn their rules and play by them. If you want to work with Booking.com for example, they offer a listing score that impacts how highly your property is ranked on the site. It isn't a secret on what information needs to be provided. In fact, quite the opposite – they give you a checklist. Supply everything requested on the checklist and you get a better score. They will also show you the scores of nearby listings.

It staggers me to see that many listings fail to hit 100% score rates, and in doing so they're selling themselves short. However, it's good for you and me as we understand the impact it has on their ranking!



"To get commission-free bookings, you have to be prepared to hustle a little."



COMMISSIONS AND DIRECT BOOKINGS

OTAs are great and many people don't take their SA marketing any further than this. But it's worth remembering that they come at a hefty price tag. Airbnb have recently increased their commission from 3% to 14%, Booking.com are between 15% and 18% (the more you pay, the higher you're ranked) and Expedia are 18%. Add in the card fees, and that's almost 20% of your income gone before you've even seen a penny of it.

On the back of this, there is money to be made by getting guests to book with you directly. Direct bookings are instantly more profitable, simply because you don't have to pay that commission. You'll find that most people don't do this because it requires extra work.

How can you get direct bookings?

To get commission-free bookings, you have to be prepared to hustle a little. To start with, invest in your own website with online booking capability. It comes down to time. People who are booking for themselves want to be able to do so easily online. They don't want to have to call a number or send an email to request to book. It will need to link to your central calendar via an API or iCal link.

Getting traffic for that site is a specialist field and is a whole other article. But something you can do to make sure you're capturing guests who come to you via the OTAs is to market to them in your apartments. We have flyers and leaflets in the apartments offering special bonuses like a bottle of free wine on arrival if they book directly.

Your highest chance of getting direct bookings and repeat business is through business or work travellers who are in an area for a specific amount of time. Using myself as an example – before I found the power of property I worked as a consultant at PWC and was travelling to

Southampton every week to visit our client. I would stay in the same place for four nights per week for ten months. I had a £150 nightly allowance, giving my booking a value of £25,980 available to any of the operators in Southampton.

Marketing to people from companies who travel for work increases your chances of long-term, highly profitable direct bookings. These people can be found on business forums or at business networking events. Talk to people you find in your local Pret-a-Manger at lunchtime or in hotel bars in the evenings. Property is a people business, so getting to the people who could stay at your apartment is the quickest way of acquiring potential new clients for that apartment.

We've recently expanded our SA business to employ a direct sales member of staff (now that we can justify the overhead). It's their job to call around any companies who have teams of people travelling and working in the area. It's won us some large contracts that have been placed in a management client's properties in Croydon, where we have five apartments fully occupied for the eight months.



HAVE THE RIGHT SYSTEMS

My portfolio in London is spread all over the place, from Central to Croydon, Hendon and Harrow. As well as running my own properties, I also manage properties on behalf of clients. It presents its own management challenge, because although the straight-line distances aren't that far, anyone who has lived in London can appreciate that it can take ages to get from one end of town to the other. Because of this, our systems have become incredibly important.

My first piece of advice if you're planning to manage your own SA portfolio, is to keep it local. If you're going to be the one responding to issues, then it needs to be accessible. I learned that the hard way on my very first property deal (and while I was working full time!). I didn't invest enough time into having the local contacts or management systems in place to ensure things could run smoothly. I thought everything would be fine.

It was only when I went to Spain on holiday with my family that I realised that things weren't fine. While I was away, my guests hosted a party in my apartment and it felt like every neighbour was after my head. Windows had been broken, radiators had been torn off walls and the police were called out. The guests had barricaded themselves inside the apartment, and I

was trying to manage the situation from Barcelona beach. I had no one locally to deal with it and I hadn't got my vetting systems right ... and I paid the price.

Thankfully I had insurance, because the place got trashed. Now we take a deposit that's so large that anyone who is planning any trouble isn't going to want to book with us. We take copies of photo IDs and make sure they match names of credit cards. We check their address, and if they live nearby we definitely start asking questions. If you're going to be running your own SAs, I highly recommend having a similar vetting system.

Another challenge you'll face if you invest in areas away from where you live is the management of your changeovers. As you're selling by the day, you don't want to waste a precious 24 hours changing over the apartment otherwise you've squandered a day of income. Make sure you have a kick-ass cleaning team in your area if you're investing away from home.

We work with cleaners based all over London to make it more manageable when we have several changeovers in one day. When choosing a new cleaner, I draw up a checklist of all the things we would expect them to do on each changeover, and they give us a quote per changeover. I always ask for references from other clients, and make our selection based on the results.

IN SUMMARY

Serviced accommodation is a strategy that balances effort and pay out. The opportunities are there to make life-changing sums when set up, marketed and managed correctly.

If you need any help in this area, feel free to reach out to me. I also post regular tips on how to start, scale and systemise your property business on social media.

CONTACT

Instagram: [@Chrispeelproperty](#)
Facebook Page: [@Chrispeelproperty](#)
Facebook Group: [Property Abundance Community](#)
Linkedin: [Chris Peel](#)



CORPORATE LETS

HOW TO PROFIT FROM BUSINESS-TO-BUSINESS WITH SERVICED APARTMENTS

Richard Evans started his serviced accommodation business in 2016 after hearing a presentation on its opportunities to make high profits. He did some further research and due diligence before deciding to use one of his properties on the South Coast as a trial.

He listed it on Airbnb during peak season, received a lot of bookings and achieved around 50-60% occupancy in the first year. Although he enjoyed it and decided to focus on using serviced accommodation as his main strategy, he found there was a lot more hands-on involvement than with single lets and HMOs.

Running a serviced accommodation business naturally requires more time and effort because it is first and foremost a hospitality business. Richard believes you can make more profit than you can from BTLs and HMOs, but he cautions that it comes at a price.

Despite his small amount of training before starting, he feels that in reality, he jumped in at the deep end. Over the years, he has made plenty of mistakes, learned from them and has changed his model accordingly to get to where he is today.

Moving on from his initial South Coast property trial, which was primarily in the holiday market, Richard now specialises

in corporate lets. For this model, he encourages you to choose both the location and the property wisely. Marketing for corporate lets needs to focus on attracting business and corporate clients, so you need to go where these people have cause to visit. Cities and towns such as Reading, Milton Keynes and Cambridge for example, are good starting places due to the number of large firms in the areas.

WHAT IS A CORPORATE LET?

A corporate let is when accommodation is let directly to companies, as opposed to individuals. For guests, it is an alternative to a hotel and so providers must be able to deliver a similar quality to that of a four-star hotel. Regular linen changes and cleaning must be included and often going the extra mile with additional services such as having a concierge service or 24-hour reception.

Whereas leisure guests may only book for a short duration of a week or two, corporate guests are likely to stay for a lot longer. The length of stay can vary from several weeks to months or more.



Weekdays will be busiest – guests are usually in the area for work, and often go home on the weekends.

However it's important to note that occupancy rates have to build up over time. Richard warns that people should be prepared for this when listing their first property. It's highly unlikely that 70% occupancy will be achieved immediately.

It also depends on the area and marketing strategy.

For long-term corporate clients, the property needs to meet specific criteria relating to location and type of property – it must to be in the right area of town, in the right sort of building, and must also be modern and well-equipped.

TARGETING CLIENTS

When considering providing corporate lets in an area, it's essential to search for any major employers nearby. Using Reading as an example, there are several high-tech and national companies based in the town. To reach them, you can contact the companies directly by searching their websites

CASE STUDY

Millers Rise, St.Albans

Type of property	2 bedroom apartment, central town centre location with parking
Number of rooms	2 bedrooms
Property history	R2SA

PURCHASE / ACQUISITION

Purchase / Acquisition price	Fully furnished apartment. R2R deal on three year contract with two week rent free period
Deposit	£1,990
Other costs	Light refurbishment £2,000.00

COST OF WORKS

Total costs	£2,000
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MONTHLY FIGURES

Income

Average room rates	£150.00/night
Occupancy rates	70%
Gross monthly income	£3,193

Costs

Monthly mortgage/ rent payment	£1,331
Utilities – water, electric, gas, etc	£65
Internet & broadband	£40
Insurances	£15
Maintenance	£100
Staff costs	£50
Cleaning and changeovers	Charged to guest
Channel managers	£35
Agency costs	£320
Sundry consumables	£30
TOTAL MONTHLY COSTS	£1,986

Returns

Net monthly cash flow	£1,207
% Return on money in	724%

or LinkedIn profiles. Take the time to build relationships with HR personnel or those responsible for booking properties.

To appeal to corporate clients, Richard urges providers to invest a bit more in the property than if it were let solely to leisure guests to maximise returns. Corporate guests will look for more facilities than leisure guests, such as an on-site gym or a 24-hour reception. This might involve looking at a different type of apartment or property than would ordinarily be used for serviced accommodation.

SETTING PRICES

Richard sets his nightly rates to compare with the cost of a room in a four-star hotel. There are plenty of benefits for guests in staying in an apartment over a hotel, including separate sleeping and living rooms,

and a kitchen area that allows guests to prepare their own meals.

If someone is working in the area for a long time, staying in an apartment is usually more comfortable than a hotel, and for longer stays Richard might offer a discount.

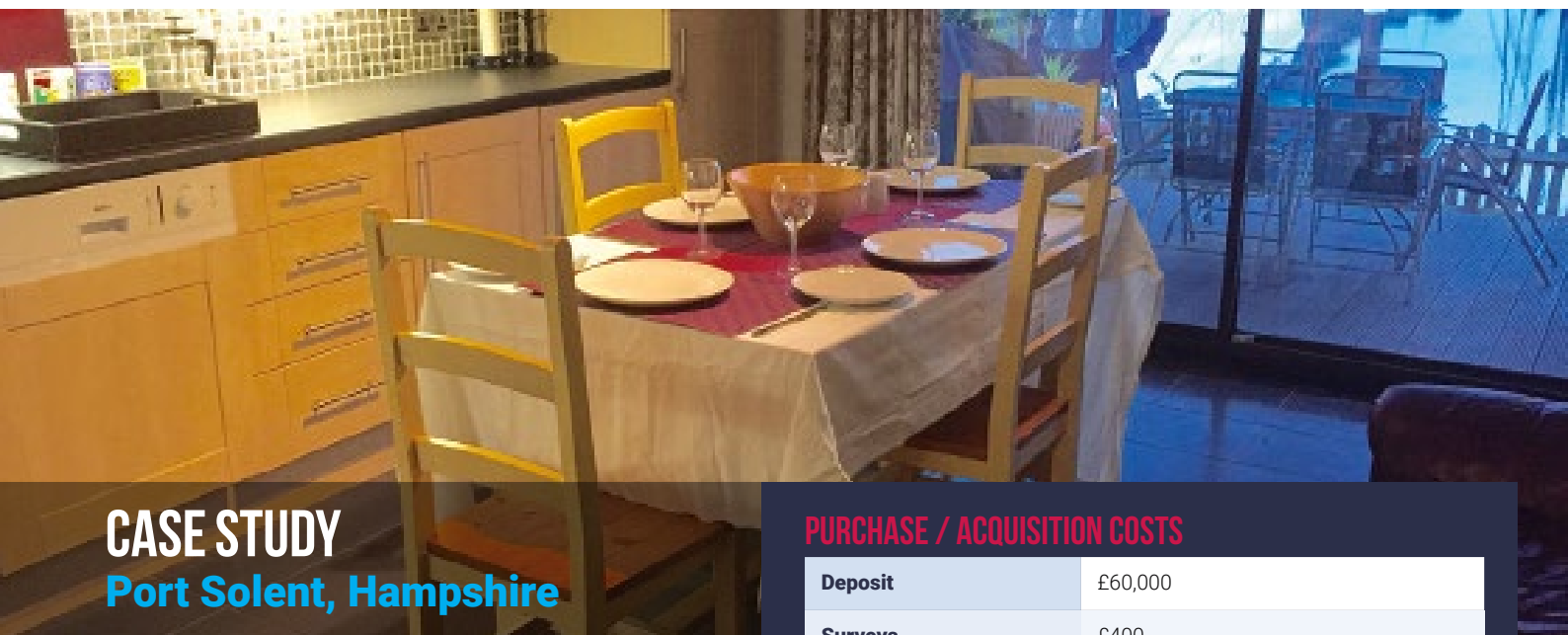
However, this is counterbalanced by other costs such as cleaning and administration being reduced, and there are less void periods.

Some serviced accommodation providers let their properties to corporate clients during the week and reserve the weekend for holiday makers or leisure guests. In Richard's experience, corporate clients are more likely to book the unit for their entire stay. Very

few people will be happy moving out their belongings at the end of the week so that someone else can stay in the apartment for the weekend.

A further benefit is that it's less likely that damages or late payments will occur with corporate clients. The property is rented to the company under a licence agreement just as if it were let through Airbnb or Booking.com. Clients usually pay the full amount in advance of the booking, but Richard is open to monthly payments if he is going to have a guest for long period of time.

Minimising this risk was a significant attraction towards serviced accommodation for Richard. Late payments, damages and disappearing non-paying tenants are part and parcel of having single lets, but it's nearly unheard of with serviced accommodation, particularly with corporate clients.



CASE STUDY

Port Solent, Hampshire

Type of property	3-bedroom, 3-storey marina home with views over the marina
Number of rooms	Ground floor kitchen and cloakroom, second floor bedroom and lounge, top floor bathroom, single bedroom and master bedrooms with en-suite.
Property history	Started to rent out as a single let in 2008 then switched to serviced accommodation in 2016

PURCHASE / ACQUISITION

Purchase / Acquisition price	£370,000
Open market value	£370,000
Due diligence carried out	Light refurbishment. Visited various marinas along the Solent and found Port Solent to be very appealing to families looking for somewhere with great leisure facilities. Viewed many properties

PURCHASE / ACQUISITION COSTS

Deposit	£60,000
Surveys	£400
Legals	£600
Any other acquisition costs	Stamp duty 3% £11,100.00, furnishings and equipment £10,000
Total acquisition costs	£82,100

FINANCE & FUNDING

Funding method(s) for purchase/acquisition	Deposit from own funds and Mortgage
Funding method(s) for works/development	Own funds for furnishings and equipment. House was in good condition so no refurb works required.
Borrowing rate(s) %	Fixed at 2% for three years and then 2% above base for lifetime of mortgage.
Funding costs pm £	£516
Total money in	£82,100
Own money in	£82,100

MONTHLY FIGURES

Income

Average room rates	£180/night
Occupancy rates	70%
Seasonal fluctuations	30%
GROSS MONTHLY INCOME	£2,970

Costs

Monthly mortgage/rent payment	£516
Utilities – water, electric, gas, etc	£160
Internet & broadband	£30
Insurances	£20
Maintenance	£100
Staff costs	£50
Cleaning and changeovers	Charged to guest
Channel managers	£35
Agency costs	£297
Sundry consumables	£30
TOTAL MONTHLY COSTS	£1,208

Returns

Net monthly cash flow	£1,762
% Return on money in	26%

OUTSOURCING

Richard learned as he went along and was doing everything himself when he first started. At this point, he was also balancing the business with a full-time job, and quickly realised that he needed help to scale. He advises anyone who wants to take their serviced accommodation business seriously that they will need outside assistance. Doing it by themselves will not get them very far. The DIY approach might work for one or two units, but beyond that will get to be a very demanding activity.

He now enlists the help of a virtual assistant to help with admin and operations. A lot of this work involves repetitive or low-value tasks, and Richard no longer values his time at what he can pay a VA. He also finds that his virtual assistant is much more attentive

to the detail of these tasks than he was, and it gives him the time to focus on the higher value activities within the business.

It's unlikely that a serviced accommodation operator will do the cleaning, so Richard wonders why administration is any different. Making guest bookings, using a channel manager, taking payments and doing the books are all things that go with running a business, and he believes everyone should have help.

It is important to consider economies of scale and whether outsourcing is necessary. If someone is happy with letting out one property to bring in a little extra income, then there may not be a need for a virtual assistant. On the other hand, Richard believes it's important to leverage your time and to use any resources available to help maximise that.

SYSTEMS

One important tool for scalability is a channel manager. It will keep all OTA listings in sync to ensure there are no double bookings across platforms. It can also send a notification to the cleaning company to let them know how many guests will arrive at which property on what date, enabling them to prepare the property accordingly. It can also communicate with guests by sending them confirmation of dates and payment.

Richard also goes one step further to ensure that all guests or companies are aware of his house rules. He uses software called Signable to send the document detailing the rules, the guest or company signs electronically and it's returned at the click of a button.

One of the risks that serviced

accommodation does present is the use of stolen credit and debit cards. Richard follows the same process for both corporate and private guests. The name on the booking must match the details on the payment card, and he requests a photo of ID along with a photo of the payment card with all numbers blocked out apart from the last four digits.

Doing security checks will minimise the chance of any chargebacks, where, if a payment is taken from a stolen card, that money must be returned to the owner. This type of fraud is becoming more and more of a problem for serviced accommodation providers so Richard ensures these extra steps will lessen any possibility of it happening within his business. It might seem like a lot of additional work, but the process, once devised, can easily be outsourced to a virtual assistant.

RICHARD'S EXTRA ADVICE

For anyone who wants to start in the serviced accommodation sector, Richard's advice is to start small before scaling up. Learning about the business and the industry by starting with one or two properties can be very advantageous before starting to grow.

After some experience has been gained, he recommends keeping an eye out for new blocks of apartments being built. It may be possible to take on several units within one block, which can reduce costs with regards to cleaning and maintenance. Neighbouring properties can also appeal to guests who work for the same company and might want to stay in close proximity to each other.

Richard also encourages people to get to know the other corporate let operators in

their area. Begin networking and building relationships. There may be times where there is a problem and a guest needs to be moved to another property, or a request for a room has come through when already fully booked. Forming connections with other operators can allow bookings to be transferred, and perhaps some other opportunities will make themselves known.

CONTACT

To find out more about how you can systemise your property business and to recruit and train your own VA, contact Richard through his company VaVaVoom.

Website: vavavoom.solutions

Email: assistants@vavavoom.solutions

This article will be a podcast episode, released in mid-April.



SHORT-STAY ACCOMMODATION: A MIXED MODEL

Interview & Words:
Heidi Moment

MANAGING DIFFERENT GUESTS ACROSS DIFFERENT PROPERTIES ... WITH CONSISTENT RETURNS

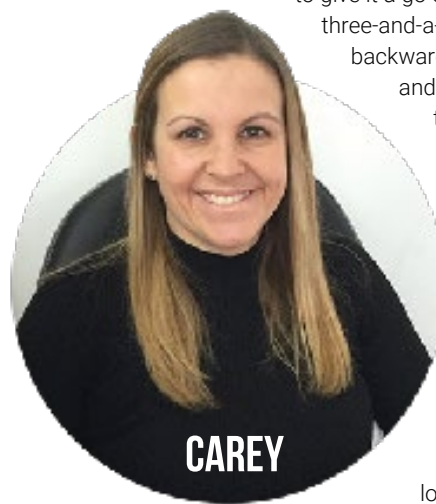
Husband and wife team Mike and Carey McKeown explain how the right systems and processes can reduce the time intensity of SA, and how a mixture of guest types helps to get closer to 100% occupancy.

What's your company and what does it do?

RentMyHouse.co.uk are short-stay accommodation providers – offering accommodation for a variety of lengths from two nights to three months. We cater for corporate lets, self-catering holiday lets and serviced apartments.



MIKE



CAREY

After reading Paul Smith's *The Serviced Accommodation Success Manual* and attending a two-day course, one of our properties became empty and we decided to give it a go ourselves. We spent three-and-a-half weeks going backwards and forwards to Ikea and putting all the furniture together. We had our first booking within 24 hours of it going live on Airbnb and Booking.com. We've still got it on our books now. There are over 50 reviews and it's rated on Booking.com as superb with a rating of 9.2. It was a great success and we haven't looked back.

Operating in and around Herefordshire, we currently managing circa 20 units, including properties we currently manage for other landlords, some rent-to-rent units, plus several of our own properties.

We also run Matrix Consultancy, a consultancy business helping others with their own serviced accommodation systems and processes.

How did you get started?

I [Carey] have worked in lettings all my life, starting out as a business admin apprentice in our local letting agency. I worked my way up through the ranks to become partner and in 2006, Mike and I had the opportunity to purchase the business. We then worked together growing the business and after eight years we had 15 members of staff and managed just over 600 properties.

It was a huge success and we doubled the turnover, but we weren't enjoying certain elements of the business, so we decided to sell to an established competitor. By taking our portfolio, overnight they became the biggest letting agent in the city.

There were certain restrictions that came with the sale, preventing us from operating within a 30-mile radius of Hereford city. So, we spent some time doing business consultancy for local companies [Carey] and project management [Mike], but we missed working in property and we missed working together. We bought a few buy-to-lets with the proceeds from the sale of the business and we were keen to get more involved in property again, so we started looking at other strategies.

We liked serviced accommodation and nobody was doing it in our area at the time.

What kind of properties do you have?

We've now got a wide variety of properties, including studio apartments, two & three-bed apartments and houses and we've even got a seven-bed property that sleeps 17. Provided the property is close to local amenities and isn't out in the sticks, we know we've got a good chance of being able to let it. The condition of the property and the location are key and we work with our clients to ensure standards are high, to attract guests and encourage repeat visits.

"A quality property close to local amenities has a good chance of attracting guests"



CASE STUDY

Raven House

Property:

Early 1960s, ex-local authority, three-bed semi with two double bedrooms and a box room, lounge and kitchen diner. An end plot with a single garage attached to the house.

Our son used to go to his maths tuition there and one day the owner told us he needed to move to be closer to his parents and would be putting the house on the market. We told him we were interested, had it valued and proceeded to buy it.

We created a lounge diner and converted the large lounge into a bedroom, making it a four-bed house that sleeps seven people, with one double bedroom downstairs and two twin rooms and a single room upstairs.

We also knocked down the garage and moved the boundary to create a building plot, which we then sold.

Guests:

Our guests are predominantly contractors during the week. Initially we were quite dubious if this would attract tradesmen due to only having one kitchen and one bathroom but it doesn't seem to bother them. It's close to supermarkets, a butcher and a really good pub that does food. It also attracts families over the weekends and it has a lot of returning guests too.

Numbers:

Open market value:	£210,000
Purchase price:	£205,000
Total costs including all refurb, acquisition, legal costs (removal of covenant), planning permission and furniture:	£20,000
End value post refurb:	£225,000 (without the garage and garden)
Price per night:	£120
Monthly average rental income:	£2,200
Monthly bills and expenses:	£900 inc mortgage
Monthly average profit:	£1,300
Sale price of the land with planning permission:	£101,000



Who are your guests?

When we first started looking into this strategy, we wondered why anyone would come to Herefordshire for a short stay and if there was actually any demand for short stay accommodation here. As the only people doing this in the area we thought demand might be low, but it turned out to be the opposite. The instant demand of our first property was both shocking and exciting and it quickly led to us taking on more and more properties.

People say to us, "Who is your average guest?" and it's literally everybody. We always

set the properties up in such a way to appeal to all kinds of tenants. At the moment around 90% of our properties are occupied by workmen Monday to Friday and we also have corporate travellers and doctors who are working at the nearby hospital. Then we have leisure guests and holidaymakers at the weekend.

It's interesting, because you might think contractors would go for a different type of property to holidaymakers, but that's not the case. We've found that contractors want a better standard of accommodation to the cheap digs of the past.

Single beds or doubles?

Putting single beds in instead of doubles allows you to fit more people in the property. This helps you to appeal to a wider market and fill your houses faster.

They often come in groups and pool their money, making the nightly rate considerably cheaper for them.

The way contractors use the properties is different too. In the past it was expected they would turn up with a crate of beer and a takeaway, but it's quite the opposite these days. The gym is a very big thing now, so guys often come with their protein shakes and slow cookers. They go to work, use the gym and then make a meal in their slow cooker.

We also put games consoles, books, board games and Sky TV into properties wherever possible. And this helps to attract guests through the week and at weekends.

"We attract all kinds of guests, by making the property attractive and having Sky TV, board games and game consoles"

Where do you market the rooms and how do you get about it?

Our rooms are advertised on the usual channels - Airbnb, Booking.com, Expedia and TripAdvisor. This is all managed by the channel manager, which works like our database. It's all automated, so if somebody books through Booking.com it automatically goes into a shared calendar that is seen by everybody.

We also spend a lot of time working on our Google rankings, which results in a lot of traffic and direct bookings through our website. Around 40% of our bookings are direct bookings, which is really good as the profit is higher (Booking.com charges 15% commission). We also have a high number of returning guests.

Is it possible to hit 100% occupancy?

We have 85% to 90% occupancy rate across the board with each property. This can often go up to 100% during peak times or when specific events are on.

In Hereford there are many popular tourist attractions and events that happen throughout the year. One popular event is the Hay Festival. People come from all over the world to this literature festival that's held in May every year. Hay-on-Wye, where it's based, is a 45-minute drive from us. As one of the nearest cities we always have 100% occupancy for the period of the festival.

Cheltenham Festival is another one, held in March, which always proves to be really popular.



Maintaining 100% occupancy all year round is difficult, but by knowing what's on in your area and marketing accordingly you stand a better chance of attracting guests. It also pays to have a good mixture of types of guests to ensure you remain as close to full as possible. Only targeting one specific sector might leave you with lower occupancy.

85-90%
occupancy



How important are systems and procedures?

Good systems are absolutely essential. Serviced accommodation is a full-time job, more than any other strategy. It's so time intensive that it wouldn't be possible to have a job elsewhere and do this on the side, which is why many of our clients have come to us to manage their properties for them.

We started out by doing everything ourselves. We're of the belief that you've got to do these things yourself to know how they work and to be able to train other people to the standard you expect. So, in the early days, we did the changeovers ourselves and I [Carey] was literally chained to the washing machine. When we took on our second unit we also took on a cleaner and it's grown from there.

We've spent a huge amount of time setting up efficient systems and procedures and getting everything in place, so these days everything is computer-based. There is literally a system for everything.

Our channel manager is a software programme that talks to all the different portals our properties are advertised on, so there's no chance of any double bookings. We use that to its full potential by sending out automated messages to everybody before, during, and after their stay.

You put one property on initially and it fires through to all the different portals - Airbnb, Booking.com, Expedia, Trip Advisor - which is shared on one calendar. So Airbnb and Booking.com are all looking at the same calendar. Having all of this automated works really well and cuts out the need for a member of staff, which also saves money.

Then we've got an online system in place to notify the cleaners of turnarounds and another one to notify the maintenance team if there's a problem at one of the properties.

We've also got really good task management tools and communication tools too. By using a combination of Slack and Trello we can monitor when jobs are complete in real-time. This has been critical with the cleaning and maintenance teams, who can check the app in real-time on their phones wherever they are and respond immediately via the app, rather than having to ring the office to get an answer. Everything is in one place for them.

We outsource our bookkeeping to a VA in the Philippines and have set up a unique system that's very efficient, so all our landlords get paid on the 15th day of each month without fail, which they are very happy with.



How do you communicate with guests?

Guests typically like to check in and be left alone. We have one property – a huge four-bed gated property – where we do a meet and greet but that's because we need to show them how the heating and the electric gates work, so it's a slightly different level of service. With the smaller units we've got in and around town, guests just turn up when they like and let themselves in. They enjoy the property then the keys go back in the safe when they leave. It's very straightforward.

Our systems are set up so everything is easy to follow. Most things are automated, which makes it easy for the guests. Our son, Owen (17), is our apprentice and works full time in the office dealing with all guest communications that aren't dealt with by the channel manager. This requires him to be available 24/7, but everyone needs some time off, so we outsource calls after 5pm and all weekend.

There aren't usually many calls, probably three or four calls all weekend, usually if guests are lost and can't find the apartment or they're struggling to get the key out of the key safe. It's generally pilot error and the call can be dealt with really quickly.

In summer we might have 20 guests checking in on the same day at a number of different properties and we still have very few phone calls. We work on the basis that if the phone rings there may be a problem with our system somewhere and it needs improving.

How do you set your pricing?

Along with all our other systems we use a pricing tool, which works automatically. We look at it twice a week as part of our revenue management, but we tend to go with what the pricing tool recommends. It's really clever, as it can look at the demand in the local area and tell you what percentage of other accommodation, including B&Bs, hotels etc are available at that time. It will also assess the demand and then set the price. For example, we normally charge £80 a night for a two-bed apartment, but at the time of the Hay Festival, the pricing tool recommends £225 a night because the demand is so high. That's a huge difference and makes a big difference to the returns you can achieve, so it's a very useful tool to have.

What has been the most challenging part of setting up and running a serviced accommodation business?

Without a doubt the most challenging part of setting up this business has been the cleaning and housekeeping. Guests expect the properties to be sparkling, so one of our key targets has been to maintain an exceptionally high standard of cleaning.

In this industry you live and die by your reviews, so we always strive to get 10 out of 10 for cleanliness.

Some things people mention in reviews are out of our control. One person might

say, "It's a short walk to town" and another will say, "It was a bit of a long way into town." It's subjective and we can't do anything about people's differences of opinion.

"You live and die by your reviews – some things are out of your control but the cleaning has to be spot on"

But we can do something about the cleaning. It has to be to a really high standard and spot on and as the business has expanded, this has certainly been a challenge to get right.

We went from one self-employed person who couldn't cope, to two self-employed people who couldn't cope to three self-employed people who couldn't cope! We considered setting up our

own cleaning company, but we weren't keen to repeat having a high number of staff, as we did with the letting agency, so we persevered with finding the right cleaning company and it paid off.

We now work with a great local company who are predominantly cleaners, but they also cover the laundry side of things as well. We're happy to say since working with

"Finding a local housekeeping company to fulfil our demand has been the biggest challenge"

them it works really well. They're a professional outfit with around 25 members of staff, so we know in the

summer on a Friday and Sunday, they are more than capable of handling the 20 turnarounds in one day. That's a huge relief.

Ultimately, the cleaning and housekeeping is a key part of the business and every step needs to be taken to ensure things run smoothly. Owen handles their task management and instructs them on which cleans need to be done on which days, and they just ring or message if they've got a question or a problem. We touch base every day or, at the very least, every other day, and we regularly do spot checks just to make sure everything is as it should be.

CASE STUDY

Isabella House

Property:

This is a large retail unit, slap bang in the middle of high town Hereford. It's a large retail unit with three floors above, which will be split into five studio apartments, three large two-bed apartments and two one-beds.

The owner is a commercial investor and has bought this building primarily for the return he'll get from the retail unit on the ground floor. We are working with him to manage the upstairs three floors, which are being purposely built out for us.

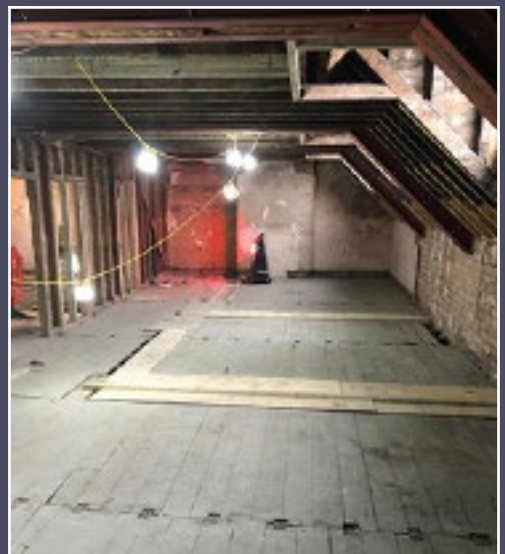
We're taking it on a commercial lease where we've agreed an annual rent of £45,000 for all 10 apartments, which works out at £375 a unit a month, on average. This is great for the owner as he gets guaranteed income for the upstairs three floors with no hassle, which is what he wants. It's also great for us because we know even as standard buy-to-lets we can get £600 a month on the smaller ones, but by running these as serviced accommodation apartments we should be able to triple that amount. We'll also have the option to buy them at some point during the lease.

Numbers:

Projected prices for the units:

Studios	£70 a night
1 beds	£80 a night
2 beds	£95 a night

Based on a 70% occupancy these will produce £17,000 a month turnover.



What's the next step for you?

Hereford is a small city, so we know there's a finite number of serviced accommodation units we can have before we start to compete with ourselves or run the risk of having empty rooms. Our aim was to get to 30 units and we already have 20 so when Isabella House is up and running that will take us to our magic number, so we're not actively looking to add to this at the moment.

Instead we're looking to replicate what we've done in Hereford in other towns and cities and have properties in Gloucester, Ludlow, Malvern and Worcester. It's early days for this though, so watch this space.

How can you help other people?

Our passion is to help people and, as we mentioned before, consultancy is a big part of what we do through our company Matrix Consultancy Group and this is something we are very keen to continue.

CONTACT

If you want some help setting up your own bespoke serviced accommodation systems and processes, contact Carey and Mike at info@matrixconsultancygroup.co.uk

Read more at: matrixconsultancygroup.co.uk
Or check out their properties on rentmyhouse.co.uk

**CLICK HERE TO LISTEN
TO THE FULL INTERVIEW**

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



9 THINGS YOU NEED TO KNOW BEFORE SETTING UP SA

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

Despite dropping out of school at the age of 16, **Gillie Barlow (right)** had an underlying self-belief that everything would work out fine. She always had a positive outlook on life and never harboured any fear of what others thought of her.

From the age of seven, she was fascinated with property. However it wasn't until she was older that she realised that her real interest lay with the history of the property and the people who once lived there. This led her towards setting up a business where she was able to combine these elements, channelling her drive into creating profitable property investments that would meet the needs of the people who would be using them.

She bought her first property in 1989 and continued to build a modest-sized portfolio. Her first foray into serviced accommodation was in 2013, when she found a pub on the market for £875,000.

Buying this property turned out to be a challenging negotiation. Her first offer took the form of an option, but this was rejected. The next offer was a traditional purchase with private investor funding, which was accepted ... until another buyer made a

higher offer. However, the vendor came back to her after that sale fell through, and they eventually agreed on a purchase option structure.

The ex-pub was in a great location; less than half a mile away from the nearest train station and less than a 15-minute walk into the city of Oxford. Due diligence showed that short lets would work well in this area, so she set it up as a bed and breakfast.

At the present time, Gillie is focusing purely on serviced accommodation. Her first guesthouse is still operating today, but the service has evolved to offer a help-yourself rather than a catered breakfast, and will soon cease all breakfast provisions. Her latest units are equipped with only key-coded doors and a communal kitchen, and no other additional services.

Gillie stresses the point that serviced accommodation is a very diverse industry at the moment, with very little legislation. What there is, is mostly location-specific, but serviced accommodation can encompass anything and everything from letting a spare bedroom for a few nights to



renting out a mansion for a couple of months. It also incorporates large and small hotels, B&Bs and unique experiences such as a night in a yurt or a shepherd's hut.

In her business, Gillie focuses on letting individual rooms within large properties of between six and 14 bedrooms. She also has some flats.

From the experience she has gained from seven years in the serviced accommodation sector, Gillie now shares her best pieces of advice to help you set up your own SA business competently. This advice bears in mind the need to maximise revenue and a desire to make the business as hands-off as possible.

1 Make your choice

When deciding to venture into any new strategy, not just serviced accommodation, Gillie advises people to first choose either a strategy or an area.

- **If someone has a keen interest in a certain strategy, then they must pick the optimal area where it will work well.**
- **Similarly, if someone has their heart set on investing in a certain place, they must choose a strategy that will be successful in that location.**

The only way of knowing what will work is through due diligence. Specifically relating to serviced accommodation, there are several online tools including Airbnb, Booking.com and, for finding Airbnb information, AirDNA, that can help people gather information.

When doing research, it's important to remember that there is a booking window. A booking window defines the period of time when people are most likely to book their accommodation. It can be as much as three to four months, but it generally seems to be between one night and two weeks. However, this doesn't signify that advance bookings don't exist.





2 Who are your guests?

This is possibly the most important decision when doing serviced accommodation. Who will be staying at your property? If the property is in a popular tourist destination; there are only 13 weeks of holiday a year, so who will be staying there the rest of the time? Only two days of the week are weekends, so who is going to be visiting and staying in your property during the week?

If there is a choice between holiday makers or workers, it makes more business sense to cater to the professionals, because they're more likely to stay Monday to Friday. It is great to be able to cater for both, so is certainly worth considering if the area is appealing for weekend visits.

3 Do active due diligence

Once an area and a market has been chosen, Gillie advises finding three or four providers within the chosen town who seem to cater for the selected market. She suggests searching for a bed and breakfast or similar, where there may be staff on site.

Visiting the guesthouse or hotel for a night and speaking to the staff and owners will give an insight into the true market of the hospitality industry in the area. They may say that it's very quiet in January, or that they're non-stop throughout the year. This is helpful information that you can't always glean from internet research.

To determine the best pricing for the area, go to Booking.com or Airbnb and find the pricing for both a weekday and a weekend in every month. Compare the rate with other similar properties nearby. Are the rates in the same price range? If not, why not? Is the location better? Are there additional services? Is there parking?

Doing this will establish an average price throughout the year, which will be helpful when calculating future revenue. Compare this data with the information you gathered from visiting the area to set out a best-case and worst-case scenario.



4 Occupancy isn't everything

When beginning her research, Gillie starts calculations at 70% occupancy. It's important to know that the model will work from a financial point of view before doing any more active due diligence.

This is a deliberately high benchmark. If the numbers don't work at 70%, then it's likely that the property isn't in the right location. Her view is that there is no point in doing any further due diligence if the occupancy rate must be so high that the pressure to meet it will be enormous.

She also goes on to stress that setting your target occupancy rate should take into account what you personally want to achieve. Her favourite saying is that comparison is a thief to joy – in other words, don't compare your results, or the figures you want to achieve, with what others are doing. Just because it works for them, doesn't mean it is right for you. Occupancy rates aren't everything, the revenue is much more important.

Having a lower occupancy rate with a higher nightly fee is far more powerful than a full house and low prices. Remember that it costs money to have a guest in a room, from the electricity or gas, to the breakfast, cleaner and maintenance.

5 SA can be passive, if it is set up correctly

Gillie is a testament to this fact. Her portfolio is completely passive and she only visits her three Oxford hotels every six months. To achieve this however, the properties or units need to be set up correctly in advance. What often happens, particularly when people are new to the business, is that operators get caught short a week before their first booking is due, and end up rushing around at the last minute to finalise everything. This haphazard approach is not conducive to establishing a business that runs smoothly.

When you start, set out a project plan and allocate time blocks for each element of the set up. Laundry companies, cleaning companies, OTAs and marketing platforms are important and can easily be set up in advance. Yes, all of these incur charges, but what you have to pay out before the first guest has paid in full and completed their stay is minimal. Cleaning and laundry companies don't send invoices before doing the job. You will have to pay marketing platforms such as Eviiivo, but this will only be a small set-up fee. It pays to be organised. It costs a lot more in the long run if you're disorganised.



6 Dress for your guests

Look back to point two – who are the guests? Knowing who will be staying at the property and what their expectations are will affect how it is furnished and dressed. Consider value for money too. Does your price reflect your offering?

When setting your price, you can reflect any extra details such as tea and coffee facilities in the room, fancy soaps and bathroom amenities. Will there be a TV, and will it be a smart TV? What about WiFi? Will guests be interested in board games and tablets that provide information about the surrounding area?

Every guest expects a good minimum standard of cleanliness, and the majority expect WiFi. So provide that and build from there.

7 Maximise revenue as much as possible

There are several things that you can do to maximise revenue. Oxford hosts many conferences throughout the year, along with university events such as graduations and interview weeks. Gillie contacts conference centres to get a list of when events will take place and how many are expected to attend. She then adjusts her prices accordingly for those dates.

Despite her aim to keep her business as passive as possible, Gillie has chosen to continue monitoring the revenue management herself. She checks whether there are any vacant rooms each week, and will adjust prices appropriately for the demand. This takes just ten minutes and it can be done remotely as long as she has a WiFi connection.

Booking.com offers personal sessions with an account manager, and one of their suggestions is to compare ten of the most similar properties to yours. Looking at competitors' occupancy and room rates gives an indication of what may or may not be working. Gillie always wants to know that she isn't more expensive than her competitors, as that would impact her revenue.

Booking.com also offers Genius Bookers. They offer a promotion of a room in return for a reduction of the price. Therefore, this increases revenue as it should increase occupancy.

8 Have an exit plan

Saturation is a popular word, and people have started to question whether some areas have too many short-term lets. Ten years ago, people were only just becoming aware of serviced accommodation as a property strategy, and Gillie is aware that things are going change again in the next ten years.

Therefore, it's important to have an alternative exit strategy. Gillie's plans vary depending on the property. Some have an HMO licence and others can easily be converted into flats or back into family homes. No-one knows what the future might hold; interest rates might increase or more legislation for serviced accommodation might be brought in. This is why it's imperative to have an alternate plan if the model stops working for whatever reason.

9 Don't be afraid of learning on the job

Had Gillie set up her SA business and properties efficiently at the beginning, she would have made a further £42,000 in her first year. However, like most who are new to the business, she learned as she went along and has since learned how not to do things over the years.

For example, one of her toughest lessons

was not hiring managers to work solo in her guest houses. The hospitality sector is especially challenging for people who work alone and it's also a sector that, due to its very nature, has high rate of alcoholism amongst workers. Gillie found this out the hard way.

Her response has been to switch her guest houses to run without the need of a full-time manager. Converting to self-service means that the only people who need to attend the property now are the cleaners, laundry operatives and maintenance people.

YPN SAYS

These nine points on their own may not seem like much, but all together they can help you create an efficient, profitable and enjoyable business. While it's helpful to learn from others and try not to repeat their mistakes, having a business doesn't mean you have to compare yourself to others. Focus on how you want your SA business to fit in with your life and goals, and concentrate on doing what you can to make yourself happy.

CONTACT

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



This article is also an episode on the Your Property network podcast



CASE STUDY: Ifley Town House

This seven-bed former HMO was brought to Gillie's attention by the same company who rent her HMOs on a rent-to-rent basis. It was company owned, and in a poor condition – it was dirty and none of the electrics were working. It was on the market for £950,000 but Gillie believed it was overpriced because of the state it was in.

She offered £765,000, but the offer was rejected. But after three buyers fell through, the vendors came back and asked whether Gillie was still interested. They agreed to a purchase with delayed completion, and Gillie raised money from an investor to proceed with the purchase.

With a 7% pa interest rate, the investor put down 10% as a deposit. They agreed that interest wouldn't be paid back until the property started generating an income.

She negotiated the right to go into the

property to start on the refurbishment before the completion date.

Shawbrook bank predicted that the property would be worth £1,000,090 after completion, and agreed to mortgage the property on the new value. This allowed Gillie to pull out half of her investor's funds by the time they completed.

The rest of the investor's money is still in the deal at an interest rate of 7% pa for the next three years, increasing to 10% pa for a further two years. At the time of writing, Gillie is hoping to refinance and pull out the remaining money soon.

During the refurbishment, they turned a small box room into a single guest room with en-suite, so the property increased to eight bedrooms. When the HMO licensing department came to evaluate the house, it was judged as an eight-bed HMO, but it will soon be converted into a C1 (hotels) usage class.

During the first year of trading, it produced £167,000, and she is aiming to generate a minimum of £190,000 in the second year.

Type of property	Victorian Townhouse
Purchase price and method	£765,000
Open market value	£950,000
Funding	Investor funds
Deposit paid	£76,5000
Amount of funding	£765,000
Borrowing rate	10%
Total money in:	£765,000
Personal money in:	£0

COST OF WORKS

Total Costs: £170,000

VALUATION & INCOME

Post-works valuation	£1,000,090
Re-mortgage amount	£1,000,090

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WILL THE REAL (PROPERTY) NEWS STEP FORWARD | PART 2

Hot on the heels of my rant last month, I bring you part two. Actually, the two rants were meant to be just the one article but I had so much displeasure to vent at the "health" sector, that I decided to reserve my tongue-lashing at the property sector for this month. Where to start?

To be honest, property news is probably not fake news (*Wikipedia: fake news consists of deliberate disinformation or hoaxes*), but as is often the case, reporting is selective, sensationalist and taken out of context. Much of it is not based on acceptable evidence and so often, it's purely anecdotal. This type of reporting is confusing, and it influences the policy-makers into decisions just to appease the sensationalists or those who make the loudest noise.

On the sensationalist front, certain organisations have been reporting that Section 21 notices (eviction) are handed out like candy by landlords and we spend all our waking hours scheming about ways to evict our tenants. The real research backed up by numbers actually shows that almost 90% of tenancies are ended by tenants and not landlords. I ask you: why would landlords evict their customers (tenants) if they are looking after our houses and paying for the privilege (rent)? Makes no sense at all!

Reinventing or regurgitating information is common, especially in the property education industry. As an example, I have been doing property long enough to know that Purchase Lease Options is one strategy which, like the Loch Ness monster, seems to resurface every few years as *"THE best strategy of the year"*. Several wishy-washy reasons to support this claim are often cited. Do PLOs work? Yes, they do and can be a useful tool.

Are PLOs particularly new or newsworthy at the moment? My own mortgage broker wrote about property options donkeys' years ago. PLOs have raised their head again in a big way and now all property gurus are just bandwagon-jumping and everyone is getting excited. It's almost as if some pioneer just discovered them so they're worthy of widespread dissemination.

Getting real evidence in the property education arena isn't always easy, but it's



they expect to see lending rising and a growth in the BTL sector.

The first headline suggests a decline in BTL. This is "supported" by other headlines which boldly claim that up to 25% of landlords may sell stock in 2020 and landlord confidence continues to plummet. The banks' response – "Oh we'll just increasing the number of BTL products we offer regardless." Really?

not impossible either if you just take off your rose-tinted glasses. Let me give you an example:

You ask someone you are considering having mentoring with if you can speak to previous clients. They say "why" or are hesitant. *(If you ask me, I'll just say "I've got 24 recommendations on Linked-In so reach out to anyone" (evidence based). Let's hope they don't slate me.)*

Top Tip for 2020: get evidence before you sign up for property mentoring/training.

I receive regular property feeds full of non-evidence based, wishy-washy anecdotal "news". I feel really sorry for you inexperienced property investors – the news in all its glory is crippling everyone into inaction with overwhelm.

Before I get too ranty, I do have to admit that the real evidence does suggest that the sentiment in BTL ownership is decreasing. *(Phew, thank goodness, Raj has calmed down!)* So why are innumerable press releases from lenders claiming that borrowing has never been better? One even said that there are more BTL products on the market than ever. Hang on, research proves that BTL stock is decreasing, so why would banks keep increasing the number of products if demand is in decline? Makes no sense to me, but then I don't have a marketing or economics degree.

I come across "credible" reports on almost a daily basis so I'll just give you a flavour:

Buy-to-let acquisitions are dropping significantly due to the increasing number of regulatory and financial changes in the sector versus Several banks reporting that

In a similar theme but with conflicting conclusion, another report boldly announces: **BTL doom plus you'll be lucky to get decent yield versus BTL still represents a great investment opportunity for landlord.**

The reader might well be asking if the above statements could all be true. In short, the answer is no. They are being shared as newsworthy but in pretty much all the reports, the sample size is just too small to make anything credible. The reports are often just part of the ongoing way news is delivered with selective information, which supports what the news supplier is trying to disseminate.

I don't know about you or how much of the above is true, but personally, I get dizzy. What there is absolutely no doubt of is that if the rental stocks fall significantly due to policy changes, rents will inevitably rise. Simple supply and demand economics point to that, and as far as this article is concerned, there is evidence that this will happen. The Irish have already tried Section 24 (tax) tactics and rents rocketed, so they are reversing their decision.

Top tip for 2020: The proof is in the pudding so don't believe everything you see, hear or read. The truth is out there, so go and seek it.

RANT OVER

Raj



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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

TEN YEARS TO BECOME AN “OVERNIGHT” SUCCESS

By **Rupal Patel**

W

hen I was getting started in property in 2012, I remember

leafing through YPN each month thinking, “W-O-

W. These investors really have their act together, make really great decisions, and find really profitable deals in places I can’t even pronounce. (I’m looking at you every town ending in -cester!) I’ll never be able to do that ...”



I’ve been there. I know what it’s like to be excited and overwhelmed at the same time. And to feel like you are about to take a leap into a precipice. After eight years as a full-time investor, I can tell you that property is not for the faint of heart. And there are no overnight successes without years of smart effort behind them. But you can get there.

In less than eight years, I replaced my income and my partner’s income, retired him from his day job, we moved into our dream home on the Thames, had a wonderful daughter, went from one single let to a mixed portfolio, and are now focused on off-market new-build sites (we’ve currently got three sites in planning to create beautiful blocks of luxury apartments).

But it wasn’t easy, and many times along the way, I wanted to throw in the towel and do the “easy” thing and go back to a “regular job”. We faced funding challenges, contractor challenges, planning challenges, personal challenges, and every other stripe of challenge you can imagine. It hasn’t been an easy path, but it has definitely been one worth walking.

That’s why this monthly column is dedicated to sharing the tough-love realities and practical and actionable tips I learned along the way. There are no shortcuts (at least not legal ones), but there are smarter ways to do everything, and more sustainable ways to build whatever success looks like to each one of us.

Each month, I’ll be talking about getting started, getting better, growing sustainably, and investing in yourself as much as – or maybe even more than – you invest in



property. As Warren Buffet says: **“Invest in yourself. You are your own biggest asset.”** And market shocks can’t deplete the wealth we have in our heads.

So, with that in mind, let’s start on this path of investing in yourself and investing in property with a back-to-basics look at the things we all need to do, especially when we’re just getting started ...

WHERE DO YOU WANT TO GO?

It’s close to March now, and I think all of us are probably fed up with the **“it’s-a-new-year-let’s-set-new-goals”** hype spewing forth. **BUT**, the thing is, you have to know where you want to go so you know when you’ve gotten there. Whether you call them goals, targets, or dreams, you need to get **CLEAR** on what you want and **put it in writing**.

- **Do you want to create an alternative pension pot while keeping your day job? How many properties would you need to do that?**
- **Do you want to work in property full time and replace your current income?**

How much rental cash flow would allow you to do that?

- **Do you want some extra money to pay for family holidays? How much do the holidays cost, and how many properties would cover those costs?**

Think carefully about your goals, be specific, and quantify as much as you can.

TOP TIP: Do **NOT** compare notes with others. It doesn’t matter if your sister or friend or accountant or hairdresser thinks your goal is too big or too crazy or too modest. This is your life. Only you get to choose where you are going and what’s important to you.

TAKE AN INVENTORY OF YOUR RESOURCE POT

By resources, I mean everything you can bring to the property investing table: finances, time, relationships and knowledge being key among them. How much money do you have access to for investing? How much time can you carve out for property-related activities?

Who do you know who could help you along the way (tradespeople, estate agents, solicitors, mortgage brokers, other investors)? And what do you know about investing?

Some pieces of this resource pie might be bigger than others, but that's okay. Each slice can grow and change.

TOP TIP: If you're working with a friend or partner, do this resource inventory exercise separately before comparing notes. It's amazing how many resources one of you will come up with that the other one hasn't thought of.

MAKE A PLAN FOR FILLING ANY GAPS

If your financial resources are not as ample as you'd like, how will you grow that piece of the pie? Will you cut costs, save more each month, move to a cheaper neighbourhood, partner with someone else? Make a plan and then execute it.

If you don't have as much free time to devote to property as you'd like, how will you create some hours? Will you wake up earlier? Ask for Fridays off? Pay for a babysitter so you can have a free evening once a week? Set your alarm, send that request to your boss, call the babysitter, and then plan what you will do with the time you've gained.

If you don't know any people in property, will you go to local networking meetings? (**Hint:** look at the last few pages of YPN!) Which ones will you attend? Who is speaking and what will you learn? Do your research and then buy your ticket.

If you don't know enough about investing – what books will you read, what podcasts will you listen to, which mentors will you work with, which investors will you have coffee with? Ask around for recommendations then buy the book, download the podcast, book the consultation call, and send the coffee invitation.

TOP TIP: If you fill knowledge gaps first, you'll probably uncover ways to fill the other gaps better or faster, too.

BONUS TIP: As someone who has been on both sides of the coffee table, when you are asking for advice or information, prepare good questions in advance, be respectful of the other person's time, and remember to say thank you. Sounds obvious, but sometimes common courtesies aren't as common as you'd think.

RANK THE INVESTMENT STRATEGIES YOU'D LIKE TO PURSUE

You know financially where you want to go, what resources you have available, and how you will grow your resource pie, so now it's time to start planning your route to Investorville.

Consider the benefits and trade-offs of the different investment strategies out there (single lets, HMOs, rent-to-rent, flips, etc), think carefully about how each does, or does not, match up with your resources and goals, and then make a list of which strategies seem the best fit.

There are lots of ways to invest in property, whether you're starting with abundant resources or almost none. Do your homework and seek advice from investors who are a few steps ahead of you before you decide to shortlist any one type of strategy.

TOP TIP: It helps to list a few strategies that fit your resources and goals because not all strategies work in all places. Look at your list and think about whether your number one investment strategy would work in the area you want to invest in. If it does, that's great. If it doesn't then work down the list until you find a strategy that will. Finding the sweet spot between strategy and location can take some time. **If you're set on a location, then you may have to be flexible about strategy, and if you're set on a strategy then you may have to be flexible about location.**

BONUS TIP: Be honest about who you are and choose a strategy that fits with your personality. If you don't like the idea of managing lots of tenants, don't set your heart on investing in HMOs. If you are nervous about the unpredictable landscape of landlord regulations, consider deal sourcing as a way forward. There are lots of ways to be "in property", so don't force yourself to jump on any one bandwagon. If you're going to be investing for the long term, it makes sense to invest in a way that aligns with who you are, what you care about, and what you can sustain.

WE ALL BECOME
something bigger, someone bigger,
BY RUNNING OUR OWN RACE TO
the top of wherever we choose to go.

PULL IT ALL TOGETHER

Now that you've done the heavy thinking, it's time to pull it all together and make a plan.

Your plan could sound something like: "I am working full-time and have £20,000 in savings and backup funds in an ISA. My partner and I have about five hours to devote to property each week. We want to be hands-off, so will have to factor in the cost of a lettings agent when we start analysing potential deals. We want to add £1,000 to our income each month, so my husband can go part-time in his job and I can build a carpentry workshop.

"With the resources we have, I think a single-let strategy will be best for us. We might consider rent-to-rent as a backup, but would have to invest in a different town to do that, and we don't really want to be spending lots of time on the road.

"I've called Jane Smith because she invests in Investorville and is an expert on single lets there. I'm also going to an event this Tuesday to listen to a speaker talk about rent-to-rent, so I can see how it's done and whether it's worth considering.

"My husband and I have decided that after four months of filling specific knowledge gaps about single lets, rent-to-rent and our local rental market, we will make an informed decision about how to proceed. I have a feeling single lets will win.

"I've already done some digging, and single lets in our area net around £300 per month, so over the next few years, we would need to buy three single lets to hit our target. Property feels scary, and I don't know how we're going to buy three houses, but I have a quote on my wall (I'm a sucker for a good quote!) that reminds me to 'feel the fear and do it anyway.' We'll just take it one step at a time, and ask for help when we need it."

TOP TIP: Like in the example above, make your plan as specific and quantified as possible, list the unknowns, be aware of any assumptions you are making and talk to more experienced investors about the realities of different investment strategies. Pulling it all together is an iterative process, because your circumstances and goals can change over time. Do the exercise regularly so you can plan your next move, factoring in anything that may have changed. Setting and reviewing your plan is also a great way to track the progress you are making and will help keep you moving forward.



SOME PARTING THOUGHTS ...

I am a firm believer that you can never hear, or do, the basics enough. Getting the basics right and continuing to get them right can feel tedious and boring and unglamorous, but the basics are essential for any long-term success.

Eight years and dozens of properties later, my partner and I still use this process. We go through the work a lot faster now than when we were first getting started, but we still do the work. Some of the above might resonate, and some of it might not. As with any information, take it in and then filter it through your own good judgement and adapt it in a way that makes sense for you.

But stick with it. Be patient. And remember, it takes ten years to become an overnight success, so don't give up if the success doesn't all happen tomorrow.

If you'd like to chat about property or are interested in joining my Mentoring Circle, please get in touch!

You can always reach me at rupal@blueinfinityproperty.com or book a call with me through our website: www.blueinfinityproperty.com.

Check out YPN Podcast Episode 25 to hear us chatting with Rupal about girl power in business and property!



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HOW TO MAKE THE MOST OUT OF A TRADE SHOW

By Nick Clark

IF YOU'RE AN EXHIBITOR

Be prepared

It may be the Scout's motto, but it applies here too. If you are interested in being an exhibitor, get in touch as soon as possible and an information pack about the event and its history will be sent to you.

It's a good idea to visit the show too, as you can only find out if it's worth your while to invest in having a stand by seeing if it's right for you and your business. Look at who is there and walk around to get a feel for the crowd and which areas of the event are busy. Also, use this opportunity to speak to other exhibitors and the organisers.

In addition, you can request a marketing pack with the demographics of the attendees, along with how many people are likely to attend and what they're looking for.



Budget accordingly and book early

Like most exhibitions, space at the Investors Show is sold per square metre. Prices start from £450 per square metre, and depending on the size of the stall, total prices vary from £2,000 to £20,000. The average price is around £3,500. Remember to factor in costs for graphics, stands, pop ups, etc. Be sure to book early for the best positions, too.

Companies who regularly have stalls at trade shows are likely to have their own pop-up stands and promotional materials. If this is your first time, the Property Investors Show can offer a bespoke package for new exhibitors where everything is included, from floor space to additional technology.

There is no one-size-fits-all

There are around 120-130 companies at each event, but only between 60 and 70 are repeat exhibitors. The property market is very fluid, so there are always different people looking for different products and services.

For example, there has been a big increase in the PropTech market in the past few years, and some exhibitors are invited to do a small stage presentation on their product or service. Just like Dragon's Den.

What else can you offer?

Stalls at trade shows and exhibitions work best if you put a lot of planning and effort in it. Consider planning some activities in advance, such as consultations or demos of products. It's important to know exactly what you'll be doing on the day, how to follow up with clients and, possibly most importantly, how to integrate the event within your marketing strategy.

IF YOU'RE AN ATTENDEE

Research!

To make the most of your visit, some prior research will be necessary. There are over 80 events organised during the Property Investors Show. The website lists all the different speaker sessions, including seminars, panels, debates and tutorials. Some events can be booked in advance to guarantee seats; however it isn't necessary and you can queue for events on the day.

Research is particularly important if you are planning to travel a long distance to attend the show. Find out in advance who is going to be there and what the talks will be about.

Make a list of who you want to see

This easily follows on from the research. Whether it's just to see talks, meet new suppliers or compare products and services, there will be something for everyone.

An A-Z of exhibitors is available on the website, along with a profile of each company and where you can find them on the day. A map of the show will be emailed to registered attendees a few days before the event. Use this to mark out the people and companies you want to see.



Check if your chosen exhibitors are offering bookable appointments to make sure you see them. If you are on a tight itinerary, always keep some free time for browsing. You never know who or what you might find.

Get in early

Not just to avoid the crowds, but people always seem to underestimate how much time is needed to get around the event. Most people will start arriving after midday, and many will leave before it's time to pack up. Although it's a busy show, it is never unpleasantly busy, it is quietest after immediately opening at 10am and in the late afternoon.

Talk to as many people as possible

Take the time to speak to other visitors as well as exhibitors. People come to the show for a multitude of reasons, including to get educated or to source a new product. When

at a stall or at a seminar, it's likely that others around you will have a similar interest in the topic. Why not talk to them and do a bit of networking? It's a great way to share experiences, give each other tips and to make new friends.

Don't worry about anything

Possibly the most important of all! Food and drink is readily available. There is a café in the middle of the show, and outside in the concourse there are over 50 choices of catering outlets, from pubs and restaurants to fast food and vegan options. When you come out the show, you can get readmitted any time you like, so there really is nothing to worry about.



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APPOINTING A CONTRACTOR FOR YOUR PROJECT

Different Forms of Procurement for Building Contractors

By **Ben Keenan** of Broadwing Homes



From a distance, property development can appear glamorous – all clever designs and beautiful interiors, exciting deals and juicy profits. Take away the gloss and Insta-worthy images, and the true picture reveals itself. As any successful developer will tell you, property development is largely an exercise in managing risks and avoiding bear traps.

One of the biggest risks on any project relates to the construction process. Get it wrong, and your carefully researched plans for the project will soon become a faded pipe dream. To manage this risk, you obviously need to find yourself a good builder. Almost as importantly, you need to appoint them correctly. In this article, I'll run you through the main options for appointing your contractor and the pros and cons of each.



TRADITIONAL (OR BUILD ONLY)

For SME developers, the most common way to appoint a contractor is using a traditional, fixed-price building contract.

Under this approach, you will be responsible for appointing the design team (likely to include, as a minimum, an architect and an engineer) and producing the designs, drawings and specifications to enable planning consent to be obtained. Once obtained, these will be used for your builder to provide you with a fixed price quote to undertake the building work.

The builder is responsible for building to the designs you've given them. If the designs contain errors or are delayed, then you'll pay to fix them and for any delay.

PROS:

- **Certainty** – the design is fully completed before the builder is engaged, so there should be less need for change during the project.
- By managing the design process, you can control the style, look and feel of the final product.
- Assuming you tender the construction work to several contractors, you should achieve competitive build prices because the contractors don't have to guess what is required.
- As the most common procurement method, you'll have the widest selection of builders to choose from.

CONS:

- Because the construction work can't commence until after the design is completed and co-ordinated, this can be a slow process and may result in additional holding costs.
- All the risks associated with the design sit with you. If there are any clashes between the architectural, services or structural design, then you will be responsible for the time and cost of putting them right.
- Likewise, opportunistic builders have been known to take advantage of a client that decides to make design changes after the project has started. So aim to make all your decisions up front, ideally when the contractors are still competing for the work.
- Unless you know what you're doing or have a good team around you, it's possible to lose a lot of time during the pre-construction period managing the interaction between each of the consultants and making sure that their designs line up.

DESIGN AND BUILD

The design and build method of procurement is a slightly more sophisticated way to appoint your builder, and not all builders are geared up to deal with it.

As the name suggests, the builder takes on the responsibility of designing the project as well as building it. You will still need to produce a design brief (known as the "Employer's Requirements" in the JCT Design and Build Contract) to set the framework within which the builder must develop the design. The more detailed you make the brief, the less scope the builder has to innovate and drive value, which is one of the big selling points behind this approach. The idea being that the builder is best placed to come up with the most cost-effective design solution.

PROS:

- Usually faster, because it allows the builder to develop the design in parallel with the commencement of groundwork and excavation.
- It creates single point responsibility – meaning that one party is taking responsibility for everything, so there is no finger pointing between the builder and design team.
- Provides price certainty and may result in cost savings because the builder can find engineered solutions or better value materials.

CONS:

- May result in inferior quality because the builder is incentivised to produce the cheapest solution that complies with the brief.
- The builder will likely include additional risk pricing to cover the risks associated with the design development process and may also charge a higher overall margin.
- You will have less control over the design because the design team will be employed by the builder.



CONSTRUCTION MANAGEMENT

Instead of appointing a contractor to undertake all the building work, under this approach you appoint a construction manager to manage each of the trade contractors for you.

Arguably, this is a riskier method of procurement because it means that you have no guaranteed outturn cost at the outset. It won't be until the final trade package is let that you'll have clear visibility on the costs of the works. In addition, you will be entering into contract with each of the trade contractors, which generally results in a lot more paperwork. Instead of one payment each month, you might be making as many as a dozen.

On the other hand, it is sometimes argued that this is a less risky approach, particularly for experienced developers, because you're not exposed to the risk of a single builder going bust and leaving you high and dry.

PROS:

- It's faster because you only let each trade package when you need it. You don't have to design the kitchens, for example, before you start excavating.
- It should be cheaper – you're not paying the general contractor's margin on top of the trade contractors' costs, and each element of the work can be competitively tendered.
- It allows you to bring in specialist contractors who excel in their chosen trade, rather than giving the work to a single contractor who has general labourers.

CONS:

- There is little cost certainty, which can make for a rollercoaster ride as you tally up the budget gains and losses on each package as you progress through the project.
- It's a lot more time-consuming for the developer, as you have dozens of trade contractors to deal with rather than a single contractor.
- Some lenders don't look favourably on this approach, as they are also deprived of the cost certainty that they crave.
- With lots of individual trade contractors on site, there is always a risk that they will get in each other's way, leading to claims for delay and disruption – a risk that you hope a competent construction manager will control for you.



SUMMARY

Clearly, there are a range of options for developers when deciding how to commission their building work. The method you choose will be determined by numerous factors including:

- Your experience and track record
- Your risk appetite
- The risk appetite of your lenders and investors
- The nature, size and complexity of the building work
- Your attitude towards design development

- Your network of builders and project managers

At Broadwing, we use all of these options to suit the individual characteristics of each project. It is important to understand the different options so that you have the flexibility to be able to adapt and respond to the challenges that you face. For inexperienced developers, it is usually wise to stick to traditional contracting – it will take a bit longer, but you know what you're getting.

CONTACT

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REFURB FAQs: KITCHENS

**NEW
SERIES**

Martin Rapley answers your questions about kitchen refurbishments.

Interview & words: **Heidi Moment**



WHAT'S THE BEST KITCHEN CONFIGURATION?

Every kitchen is different. There is no 'one size fits all' or 'best configuration' and it all depends on the space you have and how you use it. A great kitchen is one that is well thought through and carefully planned to work for the needs of the end user (buyer or tenant), so always design your kitchen with them in mind.

Start by thinking about the items they will need and how they will use the space. For example, an HMO will need more cupboard space than a one-bed flat, and larger HMOs will need to have two cookers, two washing machines and two fridges (exact requirements will be driven by the number of tenants and the local council's HMO regulations).

Other considerations will depend on the size of the room and the space you have. For example, if you are creating a family home you probably want to include a dining table, but sometimes there isn't space, so you may have to put the table in a different room, or you may opt for a breakfast bar if space allows.

Whatever you do, try to ensure the kitchen is as spacious as possible, with sufficient cupboard storage as well as all the necessities (sink, washing machine, fridge etc). Don't cram things in if there isn't room.

"People spend a lot of time in the kitchen, so you want the user to enjoy being in it"

WHEN IS IT OK TO USE THE EXISTING KITCHEN?

If the existing kitchen is in good condition, don't be afraid to leave it. If the layout is good and the carcasses are in good condition, you can replace the doors, worktop and sink and your kitchen will look brand new again, but at a much lower cost.

HOW DO YOU MANAGE TO GET THE 'WOW FACTOR' THAT DOESN'T COST THE EARTH?

The wow factor isn't as hard to achieve as you might think and it doesn't have to cost a lot of money.

When selling a property you may want to spend more to get a good dishwasher, nice taps and a good quality brand cooker, as buyers will notice these things. But with rentals your kitchen needs to be robust and long lasting, so your 'wow' will come from the way you stage it.

Staging helps you to grab the attention of the viewer to help them to easily visualise what it would be like to eat breakfast or have friends over for dinner in this kitchen. By dressing the room with quality, eye-catching freestanding items such as kitchen table and chairs, stools, kettle, toaster and microwave your viewer can easily see what goes where and how this space can be used. This is also your chance to bring in some flashes of colour to complement your kitchen and appeal to your audience.

Remember, trends change, so bring the 'wow' with items that can be removed and refreshed according to trends, so you don't have to replace your kitchen every few years.

"Plan the space with your tenant or buyer in mind"



HOW EARLY SHOULD YOU DO THE KITCHEN DESIGN?

The kitchen is one of the most important rooms in the house, so you need to get the design done nice and early. Your builder will need to know the design, or, at the very least, the layout, by the very first week, so they can carry out the first fix. Without this you could find you are holding your team up.

If you know the layout but haven't decided whether you're going for white or grey doors, don't worry. These can be decided later. Speak to your builder/site manager to find out when he needs everything to be delivered and work to that.

TILES, SPLASHBACK OR UPSTAND?

When thinking about protecting the walls above the worktop there are a few options and your decision, again, will be based on your end user, as well as cost.

When looking at a splashback behind the hob unit, at the bottom end of the scale you can have a stainless steel splashback, which could be suitable for a budget rental property, but they corrode easily and need to be cleaned well, so if it's not looked after it may need replacing before the rest of the kitchen. At the top end of the scale you have coloured glass, which looks great and injects a bit of colour into the kitchen, but it also comes with a high price tag, so may be a bit over the top for a rental.

Alternatively, you can tile the entire space above the worktop, including behind the hob (where the splashback would go) or you can use an upstand - a timber strip made of the same material as the worktop, that sticks up around 75 mm. Upstands are becoming more popular in contemporary kitchens and they look lovely when the property has just been refurbished and the paintwork is fresh. They are much cheaper than tiles and can be great in a flip. But in a rental you will find your walls get dirty very quickly, so I would always recommend tiling all the way round right up to the underside of the cooker extractor hood to form a splashback. Adding some coloured tiles will also add a 'wow factor' without spending a great deal more money.

WHICH SUPPLIERS DO YOU RECOMMEND?

Most high-street kitchen suppliers, such as Benchmarx, Magnet, Howden, Wickes and IKEA, all supply good products that can be used in a rental or flip. Pre-constructed rigid carcasses are preferable to flat pack, as they are more robust and there are fewer installation problems.

If the space is well planned, you can make a relatively budget kitchen look good in either a flip or a rental. A budget kitchen will last eight to ten years in a rental and possibly more in a flip. But they will go out of fashion before they wear out, so be mindful to go with a modern, but neutral, style.

Avoid suppliers with the word 'bespoke' in their title. Their kitchens are often handmade and are aimed at high-end markets, so you could easily pay over the odds.

SHOULD I USE SOFT-CLOSING DOORS?

Yes. Always add the soft-close option (unless you have no budget at all and are keeping the existing kitchen). It adds a bit of quality and the extra cost is so minimal it's a no brainer. And it will be worth it to see the satisfied look on the prospective buyers faces when they try them out, as they always do.



WHAT'S THE BEST FLOORING TO USE AND WHICH SUPPLIER?

and, again, it depends on your strategy and your end user as to which one you will use.

Tiles are a popular option in high-end flips and are often used with underfloor heating, particularly in new builds. If your budget doesn't stretch that far, people often think laminate is the next option, but it's never a good idea to use laminate in a rental. Laminate is made of wood and doesn't last long in a wet environment, like a kitchen, so you could find yourself replacing it sooner than you thought, due to a washing machine leak or a burst pipe.

Quality vinyl sheets are a really great option for flooring, particularly in rentals. Vinyl is soft underfoot, unlike tiles, and it can withstand water spillages, unlike laminate, so is really good for the long-term maintenance of the property. Vinyl sheets come in all sorts of styles, many of which look like real wooden floor but are far cheaper, so they're great for investment properties – you get the look without the high price tag. Always go for a commercial quality vinyl sheet, as they are less prone to tearing.

There are many flooring options, including tiles, laminate and vinyl

“Never use laminate in a rental”

HOW MANY CUPBOARDS DO YOU NEED?

If you ask my mother, you can never have enough cupboards in the kitchen! But your space will often dictate how many you can have. Your end user will need space for pots and pans, crockery, cutlery, washing powder, washing up liquid and other useful items and of course, food.

In a one-bed flat with one tenant you may find that two base units and a pair of wall units may be enough. But in an HMO you'll need a pair of wall units or a single cupboard per tenant, according to local HMO regulations.

Don't compromise on cupboards, as you don't want to put people off because there's not enough storage space. But don't over-do it either. You don't need too many cupboards. Plan it well and always follow the guidelines.

Remember, high-street suppliers won't know about HMO regulations. They are more used to designing kitchens for families. So have a clear brief of exactly what you need and they'll work with that to design the right kitchen for your tenants.

HOW IMPORTANT ARE INTEGRATED APPLIANCES?

Integrated appliances are really important if you're doing a high-spec flip. They lift the style of the kitchen considerably and buyers expect to have them. However, in an entry-level property or an HMO it's not necessary. They cost more to buy and more to install, as well as replace in the future. If your property is somewhere in the middle you need to make a judgment call.

Freestanding units are perfectly fine, and will not offend people. Just think about the colour when planning your scheme. If you are using white appliances but having dark grey cupboard doors, your appliances are going to stand out more than you might want them to, so you may need to go for a grey washing machine or white cupboards. Again, a bit of planning will help you to get this right.

HOW MANY PLUG SOCKETS DO I NEED?

Again, it depends on the number of people using the room and the space you have. Think about what's going to be plugged in – kettle, microwave, fridge freezer, washing machine. You might also want some USB charging points too.

If you're doing a one-bed starter flat, two double sockets are probably enough, whereas in a large kitchen in an HMO you may want four or five double sockets on top of the counter, as well as double sockets below the counter for the fridges and washing machines. Always check the regulations and work with the electrician and kitchen designer to plan the location of the sockets. Have these conversations early on in the process, so you're not making the decision under pressure at the last minute.



DO I NEED A DISHWASHER?

Again, it will be down to your market. Always put an integrated dishwasher in a high-end property, but you won't need one in a one-bed flat. In HMOs you have to weigh up what can be done in the space. Regulations state that you need two sinks for over a certain number of tenants, but if you don't have space for two sinks you might find that one dishwasher and one sink will suffice.

NB: A normal size dishwasher will rarely get filled in an HMO, so you're always better with a slimline one, typically 45cm wide. These get used more frequently and are a nice touch if you have the space.



WHICH TAPS DO I CHOOSE?

You get what you pay for with taps and the quality comes down to the mechanism inside. The cheaper mechanisms wear out and fail quicker. So, the more you spend, the better the quality of the tap.

In a high-end flip you might want to get some really expensive and good-looking taps and it would be worth it. They help to add the 'wow factor', especially when sitting on a ceramic sink.

"You get what you pay for with taps – avoid the cheap ones"

On a rental property you want the taps to be hard-wearing whilst also looking nice, so avoid the bottom of the range, functional taps that are good for commercial buildings, schools, hospitals etc, and look at the next range up.

Be careful of waterfall taps. They look great but are quite hard to keep clean and are prone to limescale so avoid those in a rental.

SHOULD I INSTALL DOWNLIGHTS, SPOTLIGHT BARS OR OVER-THE-COUNTER LIGHTS?

Downlights are really popular in kitchens now and can make a large kitchen really light and bright. In smaller kitchens spotlight bars work really well and can be pointed to different parts of the room – one might face towards the cooker, one towards the sink and one towards the counter or dining table. They are also quicker and cheaper to install.

I'm always cautious of over-the-counter lights that mount on the underside of the upper wall units and reflect down on the counter. They certainly add the 'wow' factor, but does anyone really use them? Save your money and buy a nice feature light to sit over the table – that also adds a 'wow' and is more usable.

WHAT KIND OF WORKTOPS SHOULD WE GO FOR?

Kitchen suppliers tend to offer square-edged worktops. They look nice and are fine for flips, but they are prone to damage so are no good for rentals. Instead opt for a chamfered or bull-nose worktop, which is less prone to damage.

A good rule of thumb to remember with worktops is, the thicker the worktop, the higher the quality. Avoid very thin worktops (28mm). Go for a 32 or 35mm and if you're going really high-end you might want to choose granite or stone.

HOW MUCH SHOULD I BUDGET?

A rough guide to costs:

Kitchen carcasses and units:

- Budget kitchen in a one-bedroom flat **£1,500 to £2,000**
- HMO **£3,000 to £4,000, not including appliances**
- Private housing or flats **£3,000 and £5,000**

Installation:

- Simple kitchen **£750**
- L-shaped kitchens **£1,000 to £1,200**
- HMO **£2,000 to £2,500**
- High-end flip **£3,000 to £5,000**
- Extra cost of stone or granite worktop **£1,500**
- Reconfiguring the services could cost **£1,000 to £2,000**



REMEMBER:

- The ultimate kitchen doesn't have to be the best kitchen ever in the world. It just has to be functional for the end of user.
- Don't let kitchen designers sell you the nice-to-haves. Be firm about what you need and don't go overboard.
- Stage the kitchen with freestanding items to give it the 'wow factor'.

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

CONTACT

Contact Martin directly with your refurbishment questions, on: martin@refurbishmentmasterclass.co.uk





Invest in property with a **Family SSAS Pension**

Gareth Bertram

Director at The Landlord's Pension

Setting up a Family SSAS pension and investing in property is surprisingly straightforward. For company directors it is an attractive alternative to traditional pension schemes for many reasons, not least the longer-term benefits it has for families.

The unique flexibility of the SSAS pension enables investment at your discretion, as well as retaining the tax advantages of a pension. The SSAS is its own legal entity and a pension trust, so afforded enviable tax benefits, both as you invest and grow your pension, and when it comes to inheritance.

As a company director, you can set up a Family SSAS Pension and invite up to 11 family members to be part of the family SSAS.

**"Offering flexibility and control,
where traditional pensions fail"**

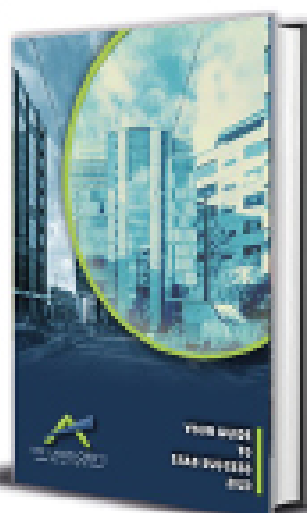
Once established, a Family SSAS Pension is an extremely tax efficient trust that can be handed down through the generations, securing your family wealth and growing the pot, whilst still enabling you to take an income in retirement. When you are no longer around, expensive legal fees and administration costs are avoided as the SSAS pension is already owned by the family. Benefits can be passed down, which is where traditional pensions fail. Assets can be transferred to beneficiaries easily, quickly and all within the pension's tax efficient wrapper as they do not form part of the estate, but are pension owned. There is also privileged flexibility within the SSAS that allows beneficiaries to receive their benefits as drawdown or asset-based awards.

Investments your SSAS chooses to make, using its funds are, uniquely, at your discretion as members. If investments comply with HMRC regulations, then the SSAS can invest!

Property Investment using your Family SSAS

An extremely popular and successful SSAS investment strategy is property investment, which is often why the SSAS is referred to as the Property SSAS pension. With many avenues to invest in, property has many enticements for the Family SSAS scheme. For a start, there is the security against bricks and mortar, the steady and consistent returns and peace of mind that it is a tangible investment with relatively low volatility, in contrast to the equity markets. Property held within the SSAS is ring-fenced from creditors and does not form part of the estate, securing it for future generations and keeping it extremely tax efficient.

It is also possible to transfer existing property assets into the Family SSAS as pension contributions, protecting them from creditors and affording you favourable tax benefits.



You might elect to buy your business premises with your SSAS, entrusting the property to the SSAS. The property is likely to gain in value and, if sold, the SSAS as a pension does not pay capital gains tax on the profit. As the asset is owned by the SSAS and your family are members of the SSAS, the asset is essentially still owned by the family. Rent you pay for the premises is classed as a business expense, so your company is afforded corporation tax benefits on payments and the rent the SSAS receives is not liable for income tax, all growing the pot. A win, win for the SSAS, your retirement and for your family.



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PENETRATING DAMP

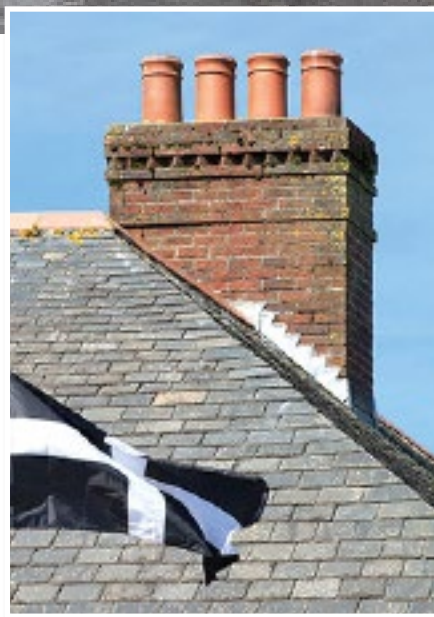
The term 'penetrating damp' relates to dampness occurring from water passing through the structure of the building, which may have come through the sides or down from the top. Usually, the diagnosis involves examining the external elements of the building for signs of disrepair. Sometimes dampness coming up from the floor is classified as penetrating dampness. See last month's article to read more about this.

Unless the source of penetrating dampness is dealt with, any timber component adjacent to the damp area may decay, leading to an escalation of deterioration and much bigger repair costs. Below, I describe how the main parts of the building exterior can contribute to damp problems.

(a) Chimney stacks

Chimney stacks are out of the way, out of sight and therefore, are often neglected. Think of them as being a big moisture-absorbing lump sticking out of a hole in the roof. They easily allow water in around the edges, through the masonry and down the flues.

Check for an intact lead (or other metal) flashing over the joint with the roof covering. If it is missing or has lifted, you've just spotted a source of penetrating damp.



If the flashing is formed from cement, it is likely to have cracked and will not provide a long-term barrier against water penetration. What about the chimney masonry itself? Can you see any cracks, spalled bricks, eroded mortar joints or vegetative growth? You'd be surprised now much more you can see using binoculars. These are all forms of weathering that can lead to damp penetration.

It's unlikely that you'll be able to see the top of the stack properly. Are there any pots? Are they cracked? The bedding mortar, called 'flaunching', easily deteriorates and cracks, allowing water to trickle into the flue. Carrying

out occasional maintenance is essential to prevent water penetration, but can be difficult to do.

(b) Roof coverings

Obviously, slipped, missing and damaged roof slates and tiles are all sources of damp penetration. However, be wary of any sections of roof that are not visible from ground level, as these areas are more likely to have been neglected. Examples include behind parapet walls, inward facing roof slopes or areas blocked from view by lack of access. Where two roof slopes join there will be a valley and those at the base of two roof 'slopes' will be horizontal and often completely hidden from view. Leaks at these positions are very common, not just from deterioration, but from clogging up with leaves and debris. Use a moisture detector on the inside of the building to check for symptoms of trouble.

Joints between features interrupting the roof slopes such as a dormer windows or vent pipes are vulnerable areas, as are flashings at wall joints and mortar pointing to the edges of valleys. Look for thin silvery coloured self-adhesive strips applied over flashings and other joints. Commonly referred to as 'flashband', they are a quick fix to weathering or damaged materials and do not offer long-term durability.

(c) Roof linings

Undersides of roofs built before the introduction of underlay were pointed up with a type of mortar called 'torching'. It is rare these days to find torching intact. It drops down over time, leaving the roof space more vulnerable to wind-blown rain and snow. The best remedy is to strip off the covering (eg tiles or slates), insert underlay and then reinstate the covering. It's a big job, but straightforward depending on how many flashings, valleys, hips and other features there are.

The most common type of roof underlay is sarking felt. Unfortunately, it has a limited lifespan and will perish naturally, leading to tears and holes. Rainwater can then enter the roof space through the hole, leading to a damp patch on the ceiling of the room below. The area where the felt is most likely to perish first is where it is dressed out into the gutters at the bottom. Eventually, it rots back to the extent where rainwater trickles onto the top of the external wall, which can be a more serious damp problem. An experienced roofer will be able to patch and extend perished underlay, but this will be an ongoing task until it becomes more economic to strip and recover over replacement underlay.

"The most common type of roof underlay is sarking felt. Unfortunately, it has a limited lifespan and will perish naturally, leading to tears and holes."



(d) Flat roofs

Flat roofs have always been a problem when it comes to damp-related problems. The traditional and common felt coverings have a limited lifespan, sometimes as little as ten years. If you get 20 years out of one, then that's good going. Dormer style properties are particularly problematic, as the flat part of the roof is not visible from ground level, so the defect is only discovered after the leak develops. Patching is only a short-term fix. Ultimately complete stripping and recovering will be needed.

Visible signs of deterioration include standing water (known as ponding) and crazing, splitting and erosion of the surface, especially where the covering is dressed over edges and over joints with adjoining walls and pipes. Flat felted roofs should also have a solar reflective coating, such as stone chippings or a special silver paint. If this is missing, the life of the roof will be shortened due to the harmful effects of the sun. Test the undersides of ceilings beneath all flat roofs with a moisture detector to check for signs of leakage.

(e) Rainwater fittings

If the property is of solid wall construction, water dripping or overflowing from a leaking or blocked gutter or downpipe will easily penetrate through to the inside. Many old terraced houses have gutters positioned over the tops of the external walls, making them even more vulnerable to the effects of obstructions and defective joints. Dampness at the wall/ceiling joint in a first-floor room is typical of leakage from gutters, but dripping water may also cause penetrating dampness at the base of the walls on the ground floor, where it can easily be mistaken for rising dampness.

(f) External wall render

Be particularly cautious of rendered walls, especially in old properties of solid wall construction where the render has been applied retrospectively. It is prone to blowing, which means it loses its adhesion from the wall beneath. When this happens, moisture gets trapped in the tiny gap between the render and the wall and is unable to evaporate away. If the walls are solid (or if the cavity is bridged), the moisture then finds its way through to the internal face.

To ascertain if the render is blown, gently tap it with a metal object (a key will suffice) and listen for a hollow sound. Those areas that are properly adhered to the wall have a different sound. The only remedy for blown render is to remove and replace, which can be very expensive, especially if large areas are affected.

(g) Weathered masonry

Mortar joints naturally erode over time, necessitating the need for repointing. Bricks themselves can also erode, especially if soft or underfired. In winter, water saturated brickwork can freeze. As it does so, it expands, forcing the face of the brick to fall away, which is called spalling. Weathered brickwork like this is much more likely to allow water to permeate through to the inside, particularly if the wall is of solid masonry construction. The remedy is to cut out and replace spalled bricks and repoint the mortar joints as necessary.

On older properties, the mortar may be lime based, which has different qualities to the modern sand and cement-based mortar. It is important that sand and cement mortar is not used to repoint over lime mortar, as this can lead to exacerbated spalling of the bricks.

You should also avoid coating the external face of the wall with a waterproofing or sealing compound. This will block the evaporation of moisture from the surface, which means that moisture has only one way to go, which is through to the inside.



(h) Single skin walls

A wall constructed from a single leaf of masonry can be thinner than 120mm and as such it is too slender to stop rainwater penetrating through from the outside. The internal face will be colder than the other walls, therefore will also attract condensation. Single skin walls may be found anywhere in older properties. Examples include side walls of internal passages, entrance recesses, upper parts of bay windows, fake window recesses and inadequately converted garages or outbuildings. Most of these exist at ground floor level only and can be upgraded by thickening out using a timber frame, insulation and a plasterboard lining on the inside.

Any single skin walls that extend up to the first floor also have stability issues and are usually declined for mortgage lending. Examples include a gable end wall, which can exist if an adjoining property has been demolished or if the house was designed to be joined to another that was never built. To ascertain the thickness of the wall, measure between the outer corner and a window reveal, then repeat on the inside. Subtract the two figures to calculate the wall thickness. The remedy involves constructing an additional leaf of masonry, usually on the outside, but it is not always possible.

To read more about single skin walls in relation to the condensation problem, check out my article in next month's issue of YPN.

(i) Window sills

If a window sill does not have sufficient projection, or if it is formed from stone and is cracked or spalled to the bottom edge, it may no longer be fully effective. Water can then run down the face of the wall, or into the wall, increasing the risk of damp penetration to the interior. Grooves cut into the base of stone sills often get filled with paint which reduce their effectiveness. In a building where there has been structural movement, window sills may end up sloping in the wrong direction. If the slope is downward towards the window frame and not to the outer edge of the sill, water will be directed into the wall.



LEAKS FROM WITHIN THE DWELLING

Although I like to classify dampness from leaks and incidental causes as a separate source of damp, it is regarded by many as another form of penetrating damp.

One of the most common sources of damp in a dwelling is leaks from around the tops of baths, especially if there is a shower fitting above. Seals around trays at the base of shower enclosures are probably worse. Always examine ceilings beneath bathrooms for signs of dampness and if the seals are showing signs of deterioration, renew as a priority. Tenants often don't notice or don't tell you when there is a problem.

If there is a timber floor underneath the bath or shower, there is a risk of serious decay developing. If you're buying a property where there has been leakage from a bathroom, it may be worth exposing and checking the

condition of the floorboards and supporting joists for signs of trouble.

Wet rooms must always be treated with caution. I have found signs of leakages from the joints or seals in almost every one I have seen. This type of bathroom arrangement is very expensive and disruptive to repair and will involve the appointment of a specialist contractor.

Finally, the most devastating form of dampness occurs if there is a burst or leak from a water tank or water pipe. They tend to occur when the property is unoccupied during the winter, if the heating is off and the temperature of the interior drops to below freezing point. If water in pipes and tanks freezes, it expands, leading to rupturing, following by gallons of water cascading through the house. Often the water continues to run, as the ball valve in the tank will signal for the system to keep auto-refilling. If significant time passes before the problem is discovered, there may be little of the interior of the dwelling to salvage. If the heating

is then reactivated to dry the building out, conditions are suitable for dry rot to develop, making the situation much worse.

Remind tenants to keep the heating on low if they are going away during the winter. If you end up with a vacant property or are renovating a building at that time of year, consider turning off the water and draining water out of the system.

Check back again next month when I'm tackling the menace that is CONDENSATION!

To be continued ...

If you've found this article interesting and would like more detail, Stuart is the author of **Dampness and Condensation in Residential Property**, which covers all the main sources of dampness in a residential dwelling. It is downloadable from this link and costs £6.99 for YPN readers : <http://tiny.cc/JK5>

Stuart has been professionally involved in property for 30 years and has carried out surveys of houses for the last 20 years. He is a self-employed chartered surveyor, whose practice is regulated by RICS. He is also an author of numerous publications covering aspects of surveying buildings, and is about to launch a house survey course for people who want to understand what a surveyor does and be able to implement those skills themselves.





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THE BUY-TO-LET MARKET OVERVIEW

By Chris Worthington

In last month's market overview, I looked at forecasts for the growth in house prices in 2020. Since then, new figures have been published by a wide range of organisations including major estate agents, economic consultancies, the National Institute of Economic and Social Research (NIECR) and the Royal Institution of Chartered Surveyors (RICS). The forecasts of house price growth in 2020 from a total of 15 organisations range from 4.5% to 1%. How to account for such a wide variation? The answer is different data sets and different financial models. But who is right? It's hard to say, but half of the forecasts are in the range of 2%-3% making that a reasonable working assumption for BTL investors.

On the same subject there is some encouraging news from the Halifax Building Society who reported a 1.7% month-on-month increase from November to December 2019. Howard Archer, chief economic advisor at the EY ITEM, a leading economic forecasting group, commented that Halifax's figure was a "major surprise".

It is possible that house prices got a boost in December from some buyers keen to get their move done before the general election. However, it should be borne in mind that the Halifax measure tends to give higher house prices than other measures.

Halifax managing director Russell Galley commented: "Looking ahead we expect uncertainty in the economy to ease somewhat in 2020 which should see transaction volumes increase and further price growth made possible by an improvement in households' real income."

If the increase in house prices reported by the Halifax is sustained, BTL investors might be justified in assuming that the growth in house prices is likely to be in the upper range of the forecasts.

The generally positive news on house prices is tempered by increasing regulation of the PRS, and the increase in taxation from the reduction in tax relief on mortgage interest payments. Faced with this, research from investment company Accumulate Capital found that 37% of UK landlords are expecting to sell properties in 2020. However, landlords in some parts of the country are planning new investments.

A report from consumer insight consultancy BDRC found that 22% of landlords plan to buy in the North West and 16% plan to buy in Yorkshire and Humberside with a higher proportion of buyers than sellers



in the East and West Midlands. It appears likely that BTL investors based in London and the South East are starting to look further afield. Alan Cleary, managing director Precise Mortgages commented: "The increasing professionalisation of the buy-to-let market means that landlords are becoming more focused and selective in where they buy properties and how they fund their purchases. Recent rate cuts across the buy-to-let market are highlighting the opportunities to increase portfolios and profitability."

THE LATEST QUARTERLY RENTAL MARKET REPORT PUBLISHED BY ZOOPLA REPORTED THE FOLLOWING FINDINGS ON RENTS IN THE UK:

- **The annual rate of UK rental growth is 2.6% up from 1.4% a year ago. This has been driven by a contraction in the number of homes to rent while demand for rented homes increased by 8% during 2019.**
- **The highest levels of growth in rents at around 5% has been in Nottingham, Bristol and York. Rental growth in London is at a four-year high at 2.8%. Rents fell around 1% in Coventry and Middlesbrough and by 3% in Aberdeen.**
- **Average earnings have outpaced rental growth for the last three years so the increase in rents is not impacting on affordability. A single average earner is spending around 32% of earnings on rent.**

A report published by rental management platform Howsy identified areas with the highest demand for rented property in London and 23 major cities in the UK. The research used the metric of the proportion of rental listings taken up as a percentage of all the number of listed properties.

Rental properties in Newport had the highest demand closely followed by Bristol, Nottingham, Cambridge and Belfast – all

cities with high student populations and a growing number of young professionals.

By contrast, Aberdeen has the lowest demand for rental property followed by Swansea and Leeds. In London the best performing boroughs were Bexley, Bromley, Sutton, Lewisham and Merton. The lowest levels of demand were in the top end of the market in Kensington and Chelsea, Westminster, Camden, City of London and Hammersmith and Fulham.

BTL investment continues to support a flexible and dynamic part of the housing market, generating good returns for investors in terms of both capital growth and year-on-year rental growth. There is increasing evidence that investors are seeking out locations where the rate of return is higher than the average – providing accommodation in areas where there is a high demand. This is not necessarily the case across the whole housing market, in particular there are a large number of empty homes in many parts of the UK.

A report from the estate agent comparison company GetAgent.co.uk found that there are over 300,000 empty homes in the UK that have been empty for more than six months. Bringing about 40% of these homes back into use would provide enough homes for all the people who are currently homeless.

Local authorities have a range of powers and incentives at their disposal to bring empty homes back into use. These include, but are not limited to, empty dwelling management orders, council tax exemptions and premiums, enforced sales, compulsory purchase and the sale of properties owned by the government. BTL investors might consider contacting their local authority to find out if there is any potential for investment in empty properties to bring them back into use.



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

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THE DEVELOPMENT I'VE PAID FOR IS STILL A CAR PARK!

WHEN BUYING OFF-PLAN GOES WRONG

Interview & words: **Heidi Moment**

When Sheffield investor **Stephen Grayson** decided to buy a new-build apartment off-plan, he thought it would all be smooth sailing. But that couldn't have been further from the truth. Here he shares his story so others don't make the same mistake.

THE DEVELOPMENT

As part of our plan to grow our portfolio we decided to buy a new-build apartment, located in Kelham Island, an up-and-coming area of Sheffield. It's becoming a really fashionable area that has seen a lot of development in recent years. As locals, we've really seen the area grow. We already have an apartment there and it's doing really well for us, so when this development came to our attention we were pretty excited about being part of it.

The development was a block of 48 apartments. The majority of apartments were studio apartments, with a few one-bed on various floors.

The literature we were given told us they were being designed by a very well-known local architect, who had done a number of projects in the Kelham Island district. The specifications were very high and the development looked fantastic.

The apartments also had underground parking, which was a big advantage, as Kelham Island is renowned for its lack of parking. Due to the scale of the project they had to develop in stages. Phase one was complete in 2017 and was already fully tenanted by the time we started talking about it. Phase two was due to start in November 2018 and be finished the following year, with keys being handed over in November 2019.



“Lies, avoidance and lots of frustration”

The agent who approached us is a well-established and professional company that has been marketing developments nationwide for many years. The developer they were working for was also very professional and had a good track record. Of course, we did our own due diligence on both of them at the start and were happy to find they both prided themselves on trust and great service, and both had a good track record. All the signs were green. There was absolutely no reason for us to doubt the development. Plus, the timescale fitted in well with our financing plans. We planned to rent out the apartment and based on these timescales knew we'd be start seeing an income in late 2019, early 2020, which we were happy with.



DEPOSITS AND PAYMENTS

The cost of the apartments ranged from £90,000 up to £170,000, which was a fair price for the standard of apartments in this great location.

The agent did their normal spiel about them selling like hotcakes and everybody wanting them, then told us in order to secure our apartment we had to fill in a reservation form and pay £5,000 as a holding deposit. Apart from the salesy tactics, there wasn't anything too sinister about that, so we agreed and paid the deposit in September 2018.

Exchange of contracts was then scheduled for November 2018, which was also the date construction was due to commence, when we would be expected to pay a 35% stage payment. Again, this seemed reasonable, so we paid our deposit and went about our lives; happy to know we were going to have a brand-new apartment within 12 or so months. Happy days.





ALARM BELLS

When November came we were looking forward to seeing the development start to take shape. Luckily, we live reasonably close to the site and I drive past there regularly, so I made a point of stopping by to take a look every now and then. November passed and then December, and still no signs of any activity. The site was still a car park and was still being used by commuters on a daily basis. I started thinking that something must be wrong.

By January I started to fear for my £5,000 and was putting regular calls and emails to the agent to ask them what was going on. If the development was running behind schedule I knew it would run on past the initial deadline, which would mean my

money would be tied up for much longer and we'd have to wait longer before we saw any rental income come in. Suddenly this wasn't looking like a good idea and I wanted to know what was going on. I wanted answers.

"The developer cancelled the contract and kept our deposit"

To add further concern, the agent was difficult to get hold of, and when I managed to speak to them they just kept repeating the same message, "There's no problem", "It's all in hand".

They didn't ease my mind at all and my concerns grew.

After some persistence they started offering a bit more information, saying the developer had put the job out to tender and was waiting to appoint a builder. Apparently bulldozers would be on site anytime soon. Now I'm not a developer, but shouldn't the job have been tendered prior to selling the units?

CANCELLED CONTRACT

The crunch came while we were enjoying a break in Tenerife in February. I checked my emails (like you do on holiday) and then immediately wished I hadn't. In my inbox was an email from our solicitor saying the developer had withdrawn the papers. What the £@*<? What on earth did this mean?

To cancel our reservation without any communication was very suspicious and we spent the rest of our holiday trying to get in touch with them to find out what was going on. We didn't get any answers, which just left us with a lot more questions:

Are they having a problem with planning and the project is delayed?

Is that their way of saying "We're not doing this development anymore?"

Have they cancelled everyone's contracts or just ours?

Does someone else want our apartment and is prepared to pay more – so we've been gazumped?

Is this a bogus development and they're doing a runner with our money?

Are we going to get our money back?

STAND YOUR GROUND

Much to our dismay, our solicitor advised us that the developer was well within their rights to cancel a reservation form and there were literally no legal grounds for us to get it reinstated. Basically, we had no rights and were completely in their hands.

We were very thankful we had only paid the £5,000 deposit and not the 35% stage payment. We'd been adamant from the start that we would only pay the stage payment once the first spade had hit the ground and the foundations had been started. We had our solicitor go through the agreement with a fine-toothed comb to make sure this was stated, so we wouldn't pay anything until the build had actually started. Call me cautious, but I only want to pay for something when I can see that it's real.

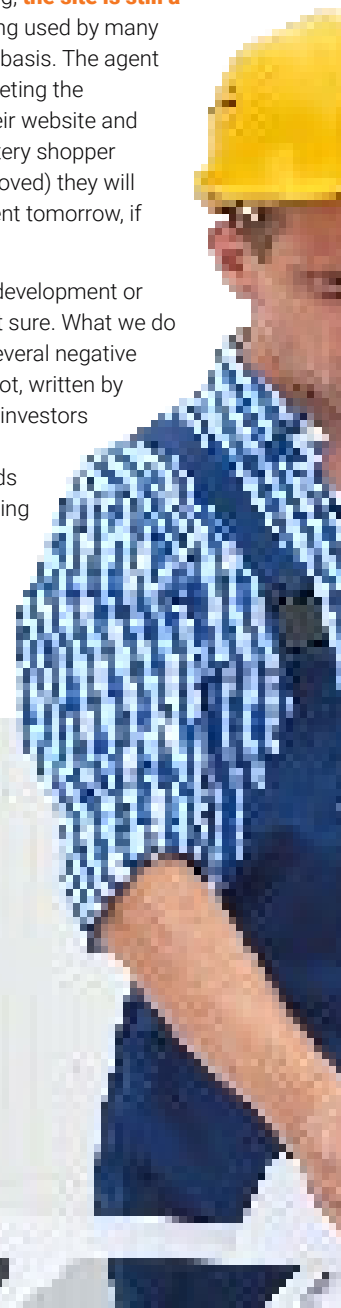
I know from later conversations that other people had already exchanged contracts and paid their stage payments, even though construction hadn't been started. I dread to think how they are feeling right now.

"We had no rights at all"

NO BUILD

At the time of writing, **the site is still a public car park** being used by many people on a weekly basis. The agent is still actively marketing the development on their website and (as a few YPN mystery shopper phone calls have proved) they will sell you an apartment tomorrow, if you're interested!

So, is this a bogus development or what? We're still not sure. What we do know is there are several negative reviews on Trust Pilot, written by extremely unhappy investors who have now paid thousands of pounds and are still wondering when construction is going to begin. We are so pleased we're not in their shoes.



EXCUSES

Eventually we managed to speak to the agent, who had basically avoided and side-stepped our requests to find out what was going on. We were even told at one point that we weren't on their system!

After much badgering, they were very apologetic and we managed to get our deposit back. But it wasn't without a fight, and we were left with a very sour taste in our mouths.

After a long time, we also managed to speak to a representative of the developer, who explained they were sorry to have let us down and assured us that we would have first choice of any apartment they develop in the future. The future? **How could they possibly think we would consider buying anything through them ever again?**

KNOCKED CONFIDENCE

This whole situation has been extremely difficult and has massively knocked our confidence. This would have only been our third investment, so although we have a bit of experience, we haven't ever experienced anything like this and it has really taken the wind out of our sails.

Being ignored and lied to by large organisations left us feeling like we were being ripped off, which made us fight even more for the truth and for our money back. We felt completely helpless throughout, as there is literally nothing more

we could have done to make it right. We really were in the hands of the developer and we just had to wait for him to decide what to do. It's not a nice feeling at all and we hope others never have to be in this situation.

We have wasted seven months on this and it has caused us nothing but one big headache. Although seven months isn't very long in the grand scheme of things, it's a really long time when you're in the middle of it and it's also seven months you're not doing something else or making any money. So, it has been one huge waste of time and energy.

We got our money back, which was the best outcome we could have got. It could have been much worse, and I'm sure it is for some of the people who went ahead and paid their stage payment. We're just

thankful we stood our ground and refused to pay it, otherwise who knows where we might be today.

"If you can't trust a big company like this, who can you trust?"

LEARNINGS

Looking back through what happened, we've tried to see if there were any warning signs, and honestly, there weren't. Everything was done the right way, the documentation was all detailed, the representatives all professional and we went through everything in so much detail, we really can't pin point anything that should have told us, *"Don't do this."*

It was only because we were local to the development that we were aware of what was, or in this case, wasn't, going on. It must be extremely difficult to buy off-plan from a different location or even internationally when you can't actually see what's happening.

At the end of the day, it seems we were working with a cut-throat developer who, for one reason or another, only wanted clients who were prepared to pay the stage payments up front and were not going to rock the boat. When I rocked the boat a little, they decided they didn't want to work with me and cancelled my contract. Not only is this disgusting, it's also very worrying for anyone else in the industry wanting to buy an off-plan apartment. The developer bears absolutely zero risk, because he just walks away, and either gives you your money back, or doesn't. And if he doesn't give you your money back, then you've got to go through a painful and stressful legal process to actually obtain it, so in many cases I expect it's easier to just write it off.

There isn't an official body you can go to for complaints or to help you resolve the issue and there's no legal recourse for the developer. As an investor you are absolutely at the whim of the rogue developer, which I can tell you, is not a nice place to be.

We definitely won't be looking to buy anything off-plan again. We'll stick with existing buildings that we can touch and feel. We know where we are with those.

YPN SAYS

Stephen got off lucky this time. He has wasted the best part of a year and has had to deal with really negative feelings along the way. He got a refund in the end, so he can now move forward to his next deal, but plenty of others haven't been so lucky and are now just waiting for the development work to begin. Let's hope it does.

If you're considering buying off-plan, be careful, do your due diligence, check all your documents carefully, touch base with the developer regularly and never, ever pay anything until the work has started.



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IF YOU THOUGHT HIRING **GRAHAM KINNEAR** A PROFESSIONAL WAS EXPENSIVE...

Many of you will be familiar with the phrase: *"if you thought hiring a professional was expensive, try hiring an amateur."* I recently received an appointment to monitor a construction project from someone who is both experienced and knowledgeable on construction matters. This chap is in a small minority, as many people involved in property don't employ a professional when it would be prudent to do so but more worryingly, they don't even engage an amateur. In fact, in a significant number of cases, they proceed without any professional support at all.

My firm prides ourselves on the value we can bring to projects and I often say to clients that I believe we will more than justify our fee. The difficulty from the outset is sometimes in trying to identify where that value will manifest itself.

This month, I thought I would share some experiences of where professional advice and guidance at an appropriate time has saved someone time, money and headaches.

PARTY WALL

I was involved in a party wall situation where a rear extension had been designed to be positioned around 10cm within the boundary. In order to adequately weather the new wall and complete the roof covering, the owner would doubtless need access to his neighbour's land to undertake these works.

I advised him that he had no statutory right to do this and would instead have to rely on being able to negotiate an access licence. This would, even if achievable, take time and have cost implications. My suggestion that the rear extension be positioned 10cm away from its suggested location would enable him to have a right of access to finish that wall under the Party Wall Etc Act.

The consequence was that the customer saved time and money far more than the fees that we charged for our advice.

EPC RATINGS

On another occasion, we were asked to make recommendations of what would improve an EPC score for a property that failed by just one point. The EPC recommended that the electric storage heating be upgraded to high heat retention heaters, which would have involved a cost of over £2,000. This seemed slightly disproportionate for a one point advantage, particularly when the existing storage heaters were only 12 months old.

We undertook an inspection and, upon being advised that the owner owned the whole block including the communal areas, instead suggested that a heater be provided to the communal areas to reduce the heat loss of the flat in question and allow the EPC to pass. A cost of around £100 rather than a cost of over £2,000.

If you are considering a new build or a conversion, then you should certainly take some advice at the outset to ensure your building will pass the required SAP EPC assessment. Minor adjustments at the design stage will doubtless be cheaper than building alterations at the end of the project.

FIRE ESCAPE

Another example was the owner of a block of flats who wanted to remove a very old and rusty external fire escape staircase, and had been quoted almost £100,000 for its removal and the fabrication of a

replacement. By improving the fire protection and compartmentation within the building, together with adding an automatic smoke vent, we were able to achieve a better protected building with a considerable cost and time saving.

DILAPIDATION REPORTS

A final example relates to dilapidation reports, which are generally produced either before signing a lease or before surrendering one. You should get a professional to review the proposed lease terms and get a surveyor to inspect the premises before you sign, so you can fully understand your likely lease obligations. By identifying potential problems at the outset, you will have the ability to negotiate on the lease terms before it is too late. This could save you a fortune!

IN SUMMARY...

It seems odd to me that property folk would not want to take advantage of professional guidance. Perhaps the professions are at fault for not making themselves accessible enough or not adequately promoting the breadth of the service offering. Alternatively, perhaps the public perception is that professionals' fees are too high and full of incomprehensible disbursements and other charges.

Whatever the perceived obstacle of seeking professional advice, I urge you to be open-minded enough to explore the guidance that is out there.

My challenge this month is for you to seek out some local professionals who may be able to assist you with a property issue you are currently facing. Have a chat with them so you can understand what they could bring to your project.

I am confident you will find they are approachable, knowledgeable and will hopefully share your vision of getting to the finish line in the most efficient and cost-effective way.

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".





PROFITING FROM PARCELS OF LAND NOTES ON THE LAND ASSEMBLY STRATEGY

BY MARK LLOYD

When the property market turns, it tends to turn very quickly. And from the conversations that we're having, there seems to have been a massive injection of optimism since Boris won the election and our exit from Europe has been confirmed. It appears like the pessimism of 2019 has been replaced by huge optimism for 2020 and a tidal wave of pent up demand has been released into the market.

Generally, this is great news for property investors and especially property developers as, in the good times, developers can make profits purely from a rising market (or at least be very confident that their GDP projections will be more secure). However, for anyone that has been in the market for a long time, the other thing that happens in a buoyant market is that it becomes much harder to acquire property, or at least to acquire property at the right price.

This is certainly true in the land market. Even in the last few years, anyone who has tried to buy land with planning permission knows that it's very difficult to buy at the 'right' price. The reason for this is simple economics. The supply of land for sale with planning permission is much lower than the demand for that land. As a result, you get several developers fighting over the same plot, so the price is pushed up.

As I'm sure you all know, you make your profit when you buy, so if you buy at too high a price, it's very difficult to make a decent profit.

Land assembly as a strategy is an essential learning for all property developers, as it teaches you how to spot opportunities that only exist to those in the know. When you know what to look for, you can find them everywhere. And the best thing about these opportunities is that as you create them by assembling separately owned pieces of land, you generate the value. This enables you to pay each individual owner of the land way above the market value (often because each individual part of land has little to no value on its own), and yet still pay well below the market value for the overall plot.

An example of how this is done is shown on on the next page.



The people in the know do this, and they are the ones selling land on the open market and making big profits without even putting a spade in the ground. So you can see that even in a very buoyant market, you will always be buying land at way below the market value.

The other amazing thing about this strategy is that you use option agreements to leverage both your time and your exposure to risk.

What we mean by this, is say you are buying £1m worth of land and this is spread between three owners. You would sign an option agreement with each owner for £333,000.

It's a lot of money, but to secure this land you only need £3 – ie, £1 for each option agreement.

The option agreement also limits your risk. Let's say you sign a 12-month option agreement for a piece of land for a total of £500,000. Six months into the option period, you secure planning consent for housing, but the market has completely bombed (imagine 2007). The land then becomes worth much less than the £500,000 you have agreed to pay for it. If you found yourself in this unfortunate position, then you could simply walk away from the option agreement as there is no obligation on you, as the buyer, to buy the land.



Let's look at a very simple example to illustrate what we have been talking about.

This is a simple back garden site – these are sites where we acquire two or three back gardens on option agreements.

Using the tools we have created, we can accurately predict a land value of £450,000 with planning permission for three townhouses to a developer. You can see that each garden on its own (numbers 234 and 236) had no development value as you couldn't build anything with one and not the other.

In this instance, we were able to offer each vendor £150,000 and our profit on this deal was £150,000. To get that profit we had to sign the option agreements to secure the land, and then gain planning permission. Although there were costs involved, they were minimal in comparison to value of the land we were securing.

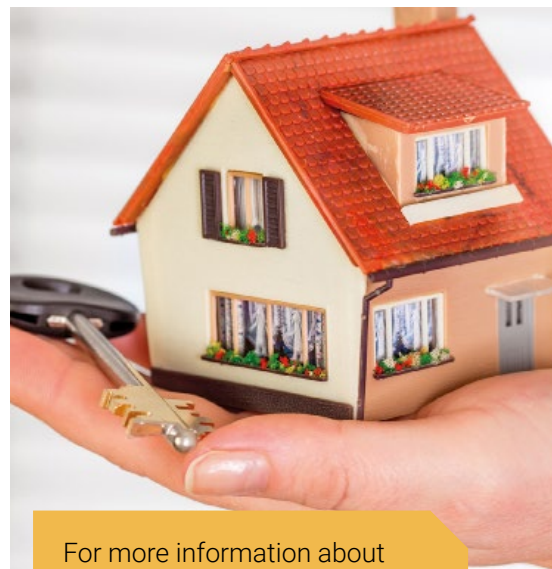
When we gained planning consent, we sold the land with planning permission to a local developer. The option was transferred into their name at the higher price, which meant we never had to have the £300,000 we agreed to pay the vendors. Obviously, if we were looking to develop out the site ourselves, we could have done so in the knowledge that we had acquired the land well below the market value.

As you can see, everyone wins. Three new homes are developed, we made £150,000 gross profit on the deal and the vendors get £150,000 tax free and still retain a decent-sized garden. What's more, their home will only have been devalued by a negligible amount, if at all.

This strategy addresses two of the main social issues we currently have in the UK.

It helps to provide more housing, and it helps homeowners to create capital to provide them a more comfortable retirement as many homeowners have an insufficient pension provision.

As I'm sure you all know, you make your profit when you buy, so if you buy at too high a price, it's very difficult to make a decent profit



For more information about Land Assembly, go to <http://bit.ly/PMALandAssembly>

THE ART OF NEGOTIATION



Hi Arsh,

I am just starting out in property and I am worried about offending vendors when it comes to making an offer for their property.

How do you know what to offer and how to put it across to ensure you create a win-win scenario?

Please help!

Mr R, Oxford

Thanks for getting in touch Mr R, and let me assure you that I have been in your position. I have worried about what to offer so that we can still get a good deal, while giving the owner a fair offer.

I can recall going to a property in Wolverhampton, where I met an Asian family who were not exactly desperate to sell their property. I went through the usual process, and then sat down with the husband and wife team to make my offer. As soon as I mentioned the figure, the owner literally opened the front door and asked me to get out.

Personally, I didn't think that my offer was that bad, but he did not give me the opportunity to explain how I had reached that figure. He simply opened the door and told me to get out.

So here is my first tip:

Do not get emotionally attached to the property. Treat it as a spreadsheet exercise and always remind yourself that the numbers do not lie.

I know far too many people who try to massage the numbers to make the deal work, however this is the start of a downward spiral.

Negotiating is a skill. It can be broken down into the following four stages:

- **Preparation**
- **"Pain and motivation" conversation**
- **Discussion and making your offer**
- **Negotiate towards a win-win outcome**

1 PREPARATION

Before you go to meet any vendor at a property, make sure you have done as much homework about the property and the neighbouring area as you can. This could include spending time on Rightmove, Zoopla, etc, as well as speaking to some estate agents operating in the area. This advice and research will come handy when you meet the owner, and will also show the vendor that you have an in-depth understanding of the property market.



ARSH ELLAHI

2 "PAIN AND MOTIVATION" CONVERSATION



After you have been around the property with the owner, the time comes to sit down with them and talk, so that you can find out and understand the real reason for sale. Use this conversation to spend time building rapport and confirming your position in the marketplace.

The longer you spend building rapport, the more the vendor will trust in you and thus become more likely to share some of the real reasons for sale. This could be a marital breakup or financial hardship, but take note to ensure you can offer a solution that meets all their criteria.

Key skills during this stage include questioning, listening and clarifying.

3 DISCUSSION AND MAKING YOUR OFFER

After you have spent 30 minutes or so listening to the owner and having a cup of tea, this is the point where you start to get down to business. After all, this is the real reason why you are there.

Before you put your offer forward, it is always worth discussing the comparables you have researched, which will give the owner an idea of figures within the area. You could also mention the conversations you have had with agents or even name drop the agents who you have spoken to.

Once you've set the background, make your offer. It's always best to take a moment to see how the owner reacts. If the offer is too low, the tone of the conversation will change, and if it does, ask for some feedback. That will also determine whether you can negotiate a win-win scenario.



4 NEGOTIATE TOWARDS A WIN-WIN OUTCOME

This stage focuses on an outcome where both sides feel they have gained something positive through the process of negotiation, and both feel their point of view has been taken into consideration.

A win-win outcome is usually the best result. Although this may not always be possible, it should be the ultimate goal through negotiation.

I always try to present multiple offers simultaneously, rather than making one offer at a time. For example, these could be:

- **A price to purchase it today at a discount**
- **A lease option to purchase in the future**
- **A rent-to-rent agreement**
- **The potential to add value and increase value through assisted sale**

If the owner rejects all offers, ask him/her which one they liked best and why. Use this information to work on your own to improve the offer, or have a brainstorm with the vendor to find a solution that pleases you both.

Presenting multiple offers simultaneously decreases the odds of impasse, and can promote more creative solutions. The way a deal is negotiated must be understood by both parties, as negotiating will require different methods in different situations.

Good interpersonal skills are essential for effective negotiations, both in formal situations and in less formal or one-to-one negotiations.

These skills include:

- **Effective verbal communication.** How you put your offer across can also determine the outcome.
- **Listening.** This is extremely important. Listen to all the owner has to say.
- **Rapport building.** Also extremely important. If they don't like you, they will not sell to you regardless of the figure.
- **Problem solving, decision making and dealing with difficult situations.** Use these situations as inspiration to create the win-win scenarios.

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.

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FINALLY, VANGUARD SIPP PENSION ARRIVES IN THE UK!

By specialist property accountant **Stephen Fay FCA**

Many landlords are of course keen to invest mostly in property. But many are also attracted to the tax relief that pensions offer, and to help with Section 24 tax mitigation, but may be worried about what the pension is actually invested in, and about high pension fund charges.

A huge pension fund in the USA, Vanguard, has announced it will offer UK SIPP pensions from early 2020 – Vanguard is famous for its ultra-low charges and its simplified approach to pension investing. This is a big deal for UK pension investors as Vanguard has \$5 TRILLION of assets under management – yet few UK investors have heard of them, until now ...

This article looks at why pension investing should be part of most landlords' financial planning, and in particular what sets Vanguard apart as a pension fund option. **Note:** this article isn't intended to cover every aspect of pension investing – just the principle benefits of pension investing, and to highlight Vanguard as a new option for 2020 onwards.

Remind me, why should I consider investing in a pension? I'm a landlord and property gives great returns and is easy to understand, so why should I invest in something I don't understand?

Investing in a pension complements investing in property – it's not one or the other. The general benefits of pension investing are:

- **Generous (often 40%) tax relief on pension contributions (compared to no tax relief when buying property assets)**
- **Pension fund income and capital growth is tax-free within the pension – allowing compound growth with no tax to reduce growth**
- **Generous per-person lifetime pension allowance (March 2020: £1,055,000)**
- **Option to take 25% as tax-free lump sum at age 55 (57 from 2028) – remainder to be drawn off ideally as a Basic Rate taxpayer to minimise tax on income withdrawn**
- **Option to pass on the pension to beneficiaries, potentially tax-free (so, a very Inheritance Tax efficient way to pass on assets)**



How can property investors invest tax-efficiently in a pension? How does this help with "Section 24" mortgage interest relief restrictions?

A SIPP pension can accept both personal and company contributions.

PERSONAL CONTRIBUTIONS:

- Landlord with no PAYE income -> maximum pension contribution is £2,880 "net", on which the SIPP recovers £720 (25%) to make £3,600 "gross"
- Landlord **with** PAYE income -> maximum pension contribution is the PAYE income itself

Note: for personal pension contributions, the gross pension contribution extends the Basic Rate (20%) income tax band ie allows the person to earn more income and just pay 20% income tax rather than 40%. Eg, making a £2,880 cash (net) pension contribution helps with Section 24 exposure by increasing the Basic Rate band from £50,000 to £53,600. (Potentially an extra £7,200 of property income for a couple is **NOT** subject to Higher Rate income tax as a result.)

COMPANY CONTRIBUTIONS:

- Many landlords now have a property company, which may earn its own rental income from properties it owns, and/or may charge property management fees (often to the director's own personally-held properties).
- Up to £40,000 per year of pension contributions can be made, which simply reduces the company's tax bill (eg, a company making a £40,000 pre-tax profit but making a £40,000 pension contribution pre-year-end would pay no tax at all, compared to £7,600 if the pension contribution was **NOT** made).

Many landlords with company and personal-owned properties choose to live off the personal rental profits and invest the company's profits into their pension – if the personal income is sufficient for their day-to-day income needs.

Who is Vanguard and what's so special about this pension fund?

Vanguard was founded around 45 years ago in the USA by Jack Bogle, and is famous for being owned by its own funds. This means that Vanguard is owned by its own investors – there are no outside shareholders to pay dividends to – so, Vanguard can focus solely on maximising performance and

keeping costs low (unlike other pension funds where the fund managers cream off large fees and commissions!). Vanguard already offers UK ISAs and Junior ISAs, but is about to launch its first UK pension.

Essentially, Vanguard invented the pension “index fund” offering incredibly low fees compared to other pension funds – and, Vanguard is now a pension behemoth, with over \$5 TRILLION of assets under management, making it the largest index-fund in the world. Yet, in the UK, Vanguard is relatively unheard of!

“Don’t look for the needle in the haystack – just buy the haystack!”

JACK BOGLE

Vanguard’s investment philosophy is to keep things simple and keep charges low. Vanguard’s mission in 1970s America was to bring pension investing to the masses, via the creation of the “index fund” – an index fund tracks an entire market, rather than picking individual shares and bonds to invest in.

The idea is that steady investing into the entire market, along with ultra-low fees, would enable the “man on the street” to become wealthy. Vanguard’s view is that regular investing in the “right” (depending on your risk profile) mix of shares and bonds, along with ultra-low charges, is most investors’ best option to maximise long-term returns – and, don’t tinker with the plan by allowing emotions to get the better of you as returns fluctuate from one year to another!

But what does the pension itself invest in?

Vanguard offers lots of investment options, however the “LifeStrategy” funds are very popular because they offer an easy-to-understand-way for investors to choose the level of risk they want to take. The funds are well-diversified in terms of regions (UK, USA, Asia, etc) and company type (consumer goods, tech, oil and gas, etc) as the fund is a passive index-tracker. The LifeStrategy funds hold 6,000 to 20,000 shares and bonds around the world, to reduce risk.

Shares generally offer a better return over the long term than bonds, but the returns are more volatile – so the LifeStrategy funds allow you to pick the percentage of shares you want to invest, ie ...

**LifeStrategy 100% Equity fund =
100% shares, 0% bonds**

**LifeStrategy 80% Equity fund =
80% shares, 20% bonds**

... and there are three further LifeStrategy funds with a 60% / 40% / 20% share

investment (the remainder being bonds) – so a portfolio approach to suit everyone’s risk appetite.

Vanguard also offers many other types of index and equity funds, and of course professional advice should be sought if required. However the LifeStrategy funds offer a simple, balanced, easy-to-understand option that many investors consider to be the bedrock of their non-property investments (perhaps complemented by some more volatile/risky investments but with the Vanguard fund considered to be the safe and solid base).

Fees and charges – the Vanguard “Unique Selling Point”!

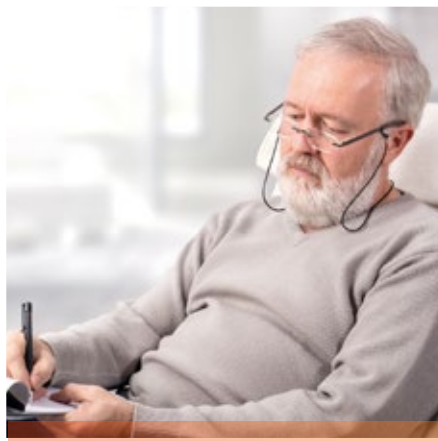
Make no mistake – the arrival of the Vanguard SIPP in the UK will disrupt the UK pension industry. The Vanguard account fee is just 0.15% per year, with no fee above £250,000 of assets (so, maximum annual fee = £375). This is an incredibly low charge given that many funds charge 2%-3% per annum (which in many cases can equal the investment return). There are also (as with all pensions) fund charges, however these are again incredibly low at typically between 0.06%-0.78%.

Don’t forget the “power of compounding” – high charges and fees levied by pension managers act as a major drag on returns over the long term. Compounding can work for or against you in the world of investing!

**Vanguard’s website is:
<https://www.vanguardinvestor.co.uk>**

A note about timing of pension contributions ...

Generally it’s better to drip-feed pension contributions to avoid the risk of buying-in at the top of a peak. So, perhaps think about a quarterly pension contribution, to allow the peaks and troughs of equity investing to smooth. The Americans call this “dollar cost averaging”, and it’s a basic investment strategy, perfectly in agreement with the Vanguard model of regular saving into a diversified, cheap, index fund.



LATER-LIFE TAX PLANNING WITH PENSIONS

Apart from the Section 24 tax-mitigation benefits of making pension contributions, and the tax-free income and capital growth as the pension values build over the years (accelerated by the low fees charged by the pension fund hopefully!), the other key benefit of a pension is the option to pass on the entire pension (around £1m per person) to a beneficiary completely free of tax. Unlike property (sadly!), pensions are very Inheritance Tax-efficient.

Many older landlords therefore choose to spend their personal rental income, and invest into their pension as a mix of personal and company pension contributions, to build up the pension (up to £2.1m for a couple!) to gift to family.

At the same time, they gradually sell off personally-held properties in later life to make use of CGT exemptions, and use the regular (typically annual) proceeds from property sales to supplement property income. They then die with a net estate (gross assets less liabilities **EXCLUDING** pension) of £1m for a couple, on which no IHT would be paid.

Along with potentially £2m of pension assets, this could mean around £3m could be gifted to family with no IHT payable. No expensive trusts or IHT-planning would be needed either, ie the pensions essentially act as a trust – an on-shore, simple way to transfer £1m per person to the next generation, in addition to the £1m IHT 0% band (including personal home equity).

CONCLUSION

Many landlords have in recent years – especially since the 2015 announcement of Section 24 mortgage interest relief restrictions – started to appreciate that they are missing a trick by ignoring the financial benefits of pension investing.

Investing in personal and company names (some planning needed to ensure the optimum mix) can produce some useful tax savings. But, what then, once the funds are in the pension?

Vanguard offer what many landlords want – simple investment options, ultra-cheap fees, great online account and customer service. It’s taken a long time for Vanguard to reach the UK, but rest assured they will be a major disruptor to the UK pension industry over the next few years (you read it in YPN first, of course!).

Visit our website
(www.fyldetaxaccountants.co.uk)
for copies of all our YPN articles.

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.

There have been very few changes with BTL lenders this month, but one who has just launched some new, reduced rate products is The Mortgage Works (TMW).

the mortgage works

TMW have relaunched a new range of products for BTL investors, with some lower headline rates and

differing arrangement fees. There are some excellent headline rates for purchases and remortgages, including free valuation and free legal remortgage options.

EXAMPLES OF SOME OF THE RATES AVAILABLE ARE:

Purchase and remortgage products for investors with 10 or less mortgaged buy-to-let properties – held in personal names and not limited company.

75% loan to valuation or purchase price

2-year fixed rate until 31/3/2022

- 1.49% 2-year fixed – 2% arrangement fee added to the loan
- 1.64% 2-year fixed – £1,995 arrangement fee added to the loan
- 1.74% 2-year fixed – £995 arrangement fee added to the loan

75% loan to valuation or purchase price

5-year fixed rate until 31/3/2025

- 1.94% 5-year fixed – 2% arrangement fee added to the loan
- 2.04% 5-year fixed – £1,995 arrangement fee added to the loan
- 2.14% 5-year fixed – £995 arrangement fee added to the loan

65% loan to valuation or purchase price

10-year fixed rate until 31/3/2030

- 2.74% 10-year fixed – £1,995 arrangement fee added to the loan
- 3.24% 10-year fixed – £1,995 arrangement fee added to the loan *

*With the second option, you only are only tied in and have early repayment charges for the first five years. The product is still a 10-year fixed rate, so you are free to sell or refinance after five years without early repayment charges.

All of the above options have a free mortgage valuation and free legal remortgage service for remortgages or a £250 cashback for new purchases. While these are excellent headline rates, they do have arrangement fees that are added to the loan. If you prefer to select a product with no arrangement fee added to the loan, then the following table shows a selection of rates also available for personal borrowing:

Lender	Loan to Value	Product	Fees
BM Solutions	75%	2.19% 2-year fixed rate	No arrangement fee – free valuation and free legal remortgage service provided for remortgages
Platform	75%	2.09% 2-year fixed	No arrangement fee
BM Solutions	75%	2.41% 5-year fixed	No arrangement fee added – free valuation and free legal remortgage service provided for remortgages
Platform	65%	1.99% 2-year fixed	No arrangement fee
Coventry – Godiva	65%	2.25% 5-year fixed	No arrangement fee added – free valuation and free legal remortgage service provided



PORTFOLIO REVIEWS AND PERSONAL REFINANCING

With the majority of the mainstream lenders offering you the option of a product transfer when your existing interest rate has ended, it's important that you consider all options.

There are many factors to consider when you are deciding whether to just take out a new rate with your existing lender, or whether moving to another lender would be the best option. I recommend speaking to your broker three months before the rate ends so that you can review all options. I am happy to review current portfolios to see what options are available to you, either for a product transfer with the existing lender or for refinancing to a new lender.

As you can see from the options with The Mortgage Works and others without an arrangement fee, there are many choices that could potentially save you money. The key factor will be individual criteria, as you will be reassessed on any refinance to a new lender, whereas a product transfer with your existing lender doesn't normally include any further underwriting or assessment.

LIMITED COMPANY MORTGAGE OVERVIEW

If you are looking at a limited company purchase or refinance, the options available to you will depend on the structure of your company. Each lender has their own individual criteria on the director's/shareholder's personal circumstances and company structures, so you will need to discuss this with your broker.

One key question that we are regularly asked relates to when a property's SPV company is a newly set up and does not have any trading history. This isn't an issue at all for any of the lenders, as they will underwrite the individuals behind the company.

The following table shows a selection of options available in the market at the moment, and I will also give you a general, higher level overview of some of the main lenders' requirements regarding directors and shareholders.

As I mentioned above, each lender has a very different view of shareholdings and directorships. Some ignore minor shareholders while others insist that all shareholders need to be party to the mortgage and give personal guarantees. When a shareholder is required to be party to the mortgage, they must fit that lender's criteria, so it's important to discuss this with your broker upfront.

This will give you a general overview of their requirements, but lenders can request additional information on all shareholders in addition to the directors.

the mortgage works

TMW will only allow a very simple property SPV structure with a maximum of two directors, who must also be the 100% shareholders. There is no variation to this and each director will need to provide a full personal guarantee.

The limited company products are only available to SPVs set up solely for the buying, letting and selling of residential property.

Only SPVs with one or more of the following Standard Industrial Classification (SIC) codes are considered:

68100, 68201, 68209, 68320



Lender	Loan to Value	Product	Fees
The Mortgage Works	80%	3.74% 5-year fixed rate	No arrangement fee
The Mortgage Works	80%	2.69% 2-year fixed	2% arrangement fee, free valuation
Paragon Mortgages	75%	2.75% 2-year fixed	1% arrangement fee, free valuation, £350 cashback
Precise Mortgages	75%	2.89% 2-year fixed	£995 arrangement fee
The Mortgage Works	75%	3.29% 2-year fixed	No arrangement fee
Precise – Limited edition product	75%	2.79% 2-year fixed	0.5% arrangement fee
Precise – Limited edition product	75%	3.19% 5-year fixed	2% arrangement fee
Precise – Limited edition product	75%	3.34% 5-year fixed (Maximum loan of £300,000)	£1,995 arrangement fee
Kent Reliance	75%	3.39% 2-year fixed	1.5% arrangement fee



Precise Mortgages

Precise will also only accept a property SPV that is set up to solely to own, buy, sell or let property, and it must be a limited company set up. The company should have one or more of the following SIC codes set up at incorporation:

- 68100 – Buying and selling of own real estate**
- 68209 – Other letting and operating of own or leased real estate**
- 68320 – Management of real estate on a fee or contract basis**

All directors and shareholders over the age of 21 will be required to provide a personal guarantee for the loan. There is no limit on the number of shareholders under the age of 21, subject to the shareholders being dependants of the directors.

There is a maximum of four qualifying directors/shareholders, none of which may be part of another limited company.

paragon

Paragon are a little more flexible and will, in addition to property SPVs, consider companies that also have other trading activities. Full personal guarantees will be required by all directors and there can be a maximum of four directors. At least 80% of the shareholding should be owned by the directors.

KentReliance

Kent are one of the most flexible and will generally just be looking at the directors to be party to the mortgage and provide full guarantees. They will however complete further checks on all shareholders with a 25% shareholding or more. The company must be a non-trading property SPV set up for holding property.

As always there can be individual circumstances when a lender may also require further information or guarantees, but this should give you a general overview.

As always, I am available to chat if you require any advice on a BTL or residential mortgage, or commercial, bridging or development finance. I work with investors throughout the country with property investment opportunities, from those buying their very first BTL property to experienced landlords, so please give me a call or send me an email.

T: 0208 870 8787 M: 07973 172 444

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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 **Arthur Kemp** about how you can Capital Allowances in your business, also **Josh Tracey** tells us all about how he has set up his SA business at just 17 years old and we also have **Annie Vinton** sharing a case study of her SA unit near the Excel centre and how to stand out in a prime location.

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**.



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RENTS: HOW TO SET THE RIGHT LEVEL, WHEN AND HOW TO RAISE AND BY HOW MUCH?

By David Lawrenson of LettingFocus.com

Our starting point is Rightmove and Zoopla, simply to find what properties like yours in the same area rent for. Once you find those, I'd suggest taking about 5% off the asking prices, because the very fact that the properties are still on the market means they have not let yet. The ones that were priced a little more competitively have already been taken off. Watch out for this weird paradox.

For this reason, we suggest you run another search looking at where the let has been agreed and focus more on the rents for the properties there. We have found that most people in the UK don't seem to negotiate on rent levels (Brits especially), so what you see as the prices for "let agreed" will be at or very close to the price the property was actually let for.

But I'd still suggest aiming to have your rent a little under that – say about 2%-4% cheaper.

This will establish a buzz around your property. If you can have prospective tenants almost queuing up for viewings, then that is a good thing as it will drive its own demand. Your aim then will be to pick the most promising tenant based on their history – thorough reference checks and affordability checks are essential – and what sort of people they appear to be.

Careful checks on references, proof of income and affordability before making an offer to let are not to be skipped. How to do all this is explained in full in both my

books for landlords. Don't take risks on this or in any way skimp on the tenant checking processes. And don't allow any letting agents to take risks either.

If you have a tenant who is paying a little less than market rent, they will know it and be grateful for having a landlord who is not out to gouge them for every last penny.

If you charge a little under the market rent, we often find that tenants will be more likely to fix those little niggly and often time-consuming things that really are their responsibility and not ours. So, that kitchen drawer that is sticking a bit is really up to them to fix, though many landlords (including us) can and will do it for them. Many of our tenants, who are getting slightly below market rents, will usually do these fiddly jobs themselves. This is especially true of our tenants from central and eastern Europe who all seem to be blessed with a practical "can do, can fix" attitude.

“We appreciate it when they are like that and when it comes to rent review time, we return the compliment – and will keep their rents especially competitive.”

We see it like this: they are doing stuff themselves that other tenants might ask us

to do. This saves us time in admin and real costs of getting someone around to do the fix. So they get rewarded with lower rent increases. Everyone wins.

HOW MUCH SHOULD YOU INCREASE RENTS?

We adjust our rents every year on the anniversary of the tenancy inception for all tenants, and we never put the rent up by more than the rate of inflation. The frequency of rent adjustments ought to be stated in the tenancy agreement – in ours, it is annually. We give them two months' notice of a change by email.

If we are fed up with a tenant (which is very rare) we may put up the rent at the exact rate of inflation, though never more.

Of course, Shelter and Generation Rent would not believe it, but this is what all sensible landlords do. For good landlords, it is not in our interest to lose tenants and screw our customers for every pound. After all, they are *customers*, they have a choice of where to live and who to have as their landlord.

Our rents can, over time, end up some way below the level of market rents (especially as private rents have tended to be a little above the general rate of inflation in our patch), but we don't care – we would rather have good tenants who look after our places than worry too much about the fact that we could squeeze out more.

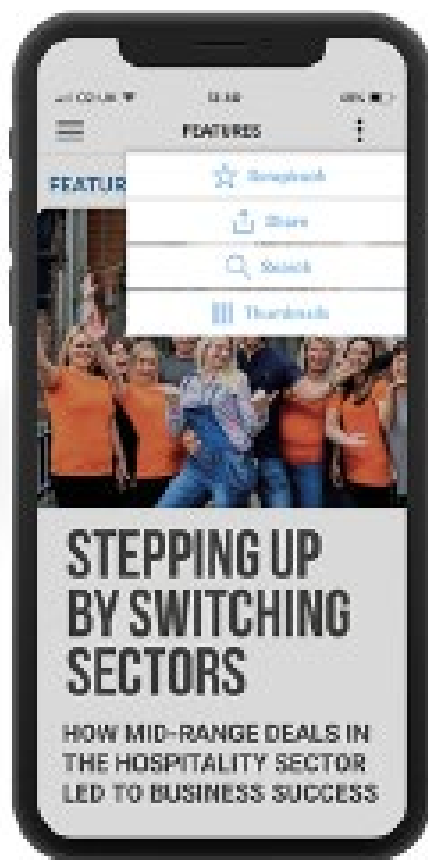


David Lawrenson is the founder of LettingFocus.com and an independent expert and consultant in residential property investment. He specialises in providing independent advice on BTL and property investments. Contact him at david@lettingfocus.com

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".



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

LEGISLATION UPDATE

By Mary Latham

THIS MONTH'S UPDATES ...

- Electrical inspections
- Do you provide culturally inclusive facilities?
- Letting to tenants with pets
- Are we heading towards regulation on short term lets?
- A rise in LHA rates
- Selective licensing

ELECTRICAL INSPECTIONS

For single let landlords, the estimated cost of five-yearly electrical inspection reports is £240m.

"Five year electrical installation checks will create a new cost burden for landlords of at least £100m per annum. [...] Any installations which were deemed to be unsafe for continued use would require remedial work to be funded by the landlord estimated at around £140m per annum."

(Source: electricalsafetycertificates.co.uk)

It was surprising to see that the new legislation on electric safety had been drafted with a start date of 1st July 2020. This could become an issue for landlords in some parts of the country.

I have mentioned before that we have expected this legislation, since it appeared in **Sections 122 and 123 of the Housing and Planning Act 2016**.

However there was some work that should have been dealt with before the start date was published, which may now put landlords in some areas under pressure to find "competent" electricians to carry out this work in time.



The results of the consultation ("MHCLG, Electrical safety in the private rented sector, Government response") published in January 2019 listed the following recommendations:

- "We will produce new guidance for landlords that demonstrates which qualifications provide the level of competence. Landlords should have regard to that guidance in determining who is competent to carry out an electrical safety inspection."
- It was recognised that an inspection and testing scheme for the private rented sector would need to be separate from the existing Building Regulations competent person schemes, which deal only with the installation of electrical installations. To this end, we need a private rented sector electrical testing competent person's

scheme, separate from existing Building Regulations competent person's scheme.

- MHCLG should commission the Electrotechnical Assessment Specification (EAS) management committee to consider the most effective method of recognising "competent PRS testers" to carry out electrical inspections and tests.

My concern is that the landlords who want to do the right thing may struggle to find competent people to carry out the inspection and any remedial work needed, because I can find no record of any of the above having taken place.

You can find the draft Statutory Instrument for the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 here: <http://bit.ly/YPN141-ML1>

This was published in January. I expect it will have raced through the Commons by the time you read this. It needs to go through the whole process of Commons and Lords, but as of January it is expected to begin on 1st July 2020.

The following is a breakdown of the requirement for all rented properties, including HMOs, which up to now have had separate regulations:

An electric inspection of the installation (EICR) must be carried out and the tenant must be given a copy of the certificate **BEFORE they move in – as with Gas Safety – on or after 1st July 2020**.

A copy must be given to any **prospective tenant** within 28 days of receiving a request in writing for it from that prospective tenant. (Is this the shape of things to come?)

This inspection must be carried out every five years from then on. Existing tenants must be given copies of updated certificates within 28 days of the inspection date.

A suitably qualified and competent person must carry out these inspections.

Repairs and replacements identified must be carried out within the time that the report specifies, **or within 28 days, whichever is soonest**.

Once the installation is safe, this must be certified and the new certificate given to the tenant.

All properties let before 1st July must be inspected and certified (as above) by 1st April 2021.

Properties with an existing electrical installation condition report (EICR) will not

be required to replace it for five years from date of issue.

For new and fully rewired properties, an Electrical Installation Certificate can be presented in place of an EICR, provided it is still in date.

A visual inspection must be made of the parts of the installation which are visible, switches, sockets, etc. A competent person must carry out any repairs or replacements needed at the turn of every tenancy.

- The testing of portable appliances (PAT) is **not a legal requirement** but is recommended as a safety measure.
- This doesn't apply to live-in landlords sharing their properties with lodgers.
- **Landlords who let properties that are found to be unsafe may face remedial works being carried out by the local authority, costs recovered from them and up to £30,000 in penalties.**



HMOs

In the Management of Houses in Multiple Occupation (England) Regulations 2006 (<http://bit.ly/YPN141-ML2>), regulation 6(3) is to be omitted under this Statutory Instrument. This is the relevant section:

"Duty of manager to supply and maintain gas and electricity

(3) The manager must—

(a) ensure that every fixed electrical installation is inspected and tested at intervals not exceeding five years by a person qualified to undertake such inspection and testing;

(b) obtain a certificate from the person conducting that test, specifying the results of the test; and

(c) supply that certificate to the local housing authority within 7 days of receiving a request in writing for it from that authority."

This means that HMOs are included in the new regulations.

What to watch out for ...

Requests from "prospective tenants". There is no definition for this and it may therefore apply to anyone who has viewed the property.

Ensure you have proof of having given the certificate to new tenants **BEFORE** they get the keys.

Double-check that you are supplying the latest version of the **How to Rent Guide** – this may be updated in July or before. (See paragraph at the end of this section.)

Look out for this being added to the prerequisites for serving a valid **Section 21**. Remember this must be given before they move in, which means that if it is added to Section 21 requirements and you don't give them the right version at that time, you will never be able to serve a valid Section 21 on that tenant.

That will also mean an **update on the government's How to Rent Guide**, which is one of the statutory documents. We must provide the most recent version.

(I make that a total of two more nails in the Section 21 coffin – before it is withdrawn completely.)

CULTURALLY INCLUSIVE FACILITIES

It isn't often I hear about something happening in the property rental business that I was totally unaware of. During a conversation on Facebook, I saw information posted which made me think, "I really should have known this". So I began to Google for more information and will now share what I found.

Many of you will be more enlightened than I am – this is for those who are not, because it's very important for landlords to be culturally inclusive when looking for tenants in a country with a culturally diverse population like ours.

The first article I found pretty much sums it up:

"London 2012: Olympic toilets will not face Mecca

Public conveniences are being specially designed at London's Olympic Park so Muslims will not have to face Mecca while sitting on the loo. The Islamic religion prohibits Muslims from facing the Kiblah - the direction of prayer - when they visit the lavatory."

(Source: The Telegraph, <http://bit.ly/YPN141-ML3>)

The Facebook discussion where this subject came up began when an HMO landlord asked for help because a tenant had defecated on the bathroom floor on several occasions and it was causing a lot of trouble in the property. He thought that he knew who it was but was reluctant to accuse him without evidence. Needless to say, some said the tenant had been drunk, some just said throw him out ... and then one person posted information about religious beliefs restricting the direction in which a believer can face when using the toilet. The HMO landlord who originally posted (like me) had never heard of this, but realised it was indeed the issue. He found a solution.

The reason that I am sharing this information is that when we are developing properties, particularly HMOs, we often have several options for the position of bathroom fittings. Knowing that some potential tenants may not be able to rent the room/property because it compromises their religious beliefs will enable us to look at our options.

LETS WITH PETS

Housing Secretary Robert Jenrick announced in January:

"I'm overhauling our model tenancy contract to encourage more landlords to consider opening their doors to responsible pet owners. And we will be listening to tenants and landlords to see what more we can do to tackle this issue in a way that is fair to both.

This is part of this new government's mission to improve life for tenants, recognising that more are renting and for longer in life."

Let me begin by saying that I am always happy to consider tenants with pets – within certain parameters. Many of my tenants have pets, ranging from a tarantula (brought in without permission but kept in a confined tank) to cats and dogs (only where the dog

is not left alone for hours). I understand the comfort and love pets bring into people's lives.

BUT ...

Having just removed the "safety net" of extra deposit to cover potential issues, is the government pushing landlords to let ourselves in for more costs by taking "higher risk" tenants? At least let the Tenant Fees Ban bed in before going down this road.

That said, I don't know a landlord who actually uses the government model tenancy agreement, so a change like this won't do anything more than grab a headline and pat tenants on the head.

It is not a change in legislation – as has been said in some discussions – it is ONLY a change in the government model tenancy agreement.



REGULATION OF SHORT LETS/ SERVICED ACCOMMODATION

The calls for regulation of short lets/holiday accommodation/serviced accommodation are hotting up as more and more issues come to light:

*"Politicians from several parties say they want their local council in **Bristol** to have the powers to regulate the number and types of Airbnb and other short lets.*

Bristol Live reports Beech saying: *'There are 2,000 registered properties for Airbnb and this is rising year on year. Meanwhile we have 12,000 people on our housing waiting list, hundreds in temporary accommodation and a generation of people renting. We are asking for support of full council to lobby for change and level the playing field.'*

(Source: Letting Agent Today, <http://bit.ly/YPN141-ML4>)

'Airbnb guests trash mansion 'causing £445,000 in damage'

A property developer is taking Airbnb to court for £723,000 after his mansion was trashed by people throwing a party. Michael Harold, 67, rented out the house to what he thought was a family of four, but now believes 500 people used it. It took over two months to repair the almost £445,000 damage, but Mr Harold claims in court papers

filed at the High Court that the website only offered to pay £102,586."

(Source: Metro, <http://bit.ly/YPN141-ML5>)

"ANOTHER council wades in to regulate 'wild west' Airbnb property sector

***Brighton** councillors vote through motion calling for Airbnb to draw up list of local 'trusted landlords' as disruption by 'party houses' causes anger in the seaside city.*

Brighton has become the latest city to tackle Airbnb and other short-term lettings platform head-on with new regulations."

(Source: The Negotiator, <http://bit.ly/YPN141-ML6>)

*"City Council calls on short-let landlords of entire homes in **Oxford** to apply for planning permission*

Oxford City Council is calling for short-let landlords renting out an entire house in Oxford for more than 140 nights a year to come forward and apply for planning permission.

***With increasing calls for new national laws** – including from Oxford City Council and the industry itself – to tighten regulations around short-term lets, the City Council is urging landlords to get ahead of a potential rush and get their applications in now."*

(Source: Oxford City Council, <http://bit.ly/YPN141-ML7>)

All these stories were published in the last three months (at time of writing). What local authorities are calling for is clarity on the planning requirement to apply for permission when there is a "material change" in the use of the property. They believe that changing a property from a "home" to a short-term let is, in fact, a "material change" of use but there is no statutory definition. There are, however, Use Classes:

- **Class C1** – Hotels
- **Class C2** – Residential institutions
- **Class C2A** – Secure residential institutions
- **Class C3** – Dwellinghouses
- **Class C4** – Small Houses in multiple occupation
- For properties which don't fit into one of these classes there is sui generis which means a class of its own.

See Town and Country Planning (Use Classes) Order 1987 for details: <http://bit.ly/YPN141-ML8>.

It is likely to be these Use Classes that hold the key to **regulating short term lets**. If the current use of a property doesn't fit into C3, and it was originally constructed as a family home, there has been a **"material change of use"**.



THE GOOD NEWS SECTION!

LHA rates to rise

For landlords who accept tenants who rely on benefits to pay all or some of their rent, the end of the big freeze has come – and not before time.

The LHA rates have been frozen since 2016, having already been reduced in previous years. This has meant that many people have been unable to compete with other renters for the private homes available for rent. This has pushed thousands into temporary accommodation, including budget hotels which are costing some local authorities £millions every year. This change is a start and an acknowledgment of the issue.

Around 900,000 people could be entitled to a housing benefit payment increase of around £120 a year (£10 a month) from April 2020.

They will rise in line with inflation, currently stands around 1.5%

This small amount is unlikely to make a big difference in most areas, but where many tenants are on benefits and landlords have been forced to take reductions in rents, it's good news.

"NO" to continuing citywide selective licensing!

"Robert Jenrick has rejected an application to keep the citywide landlord licensing scheme going for another five years – despite it being backed by Merseyside Police, Mersey Fire and Rescue Service and the majority of residents who responded to the consultation."

(Source: Liverpool Echo, <http://bit.ly/YPN141-ML9>)

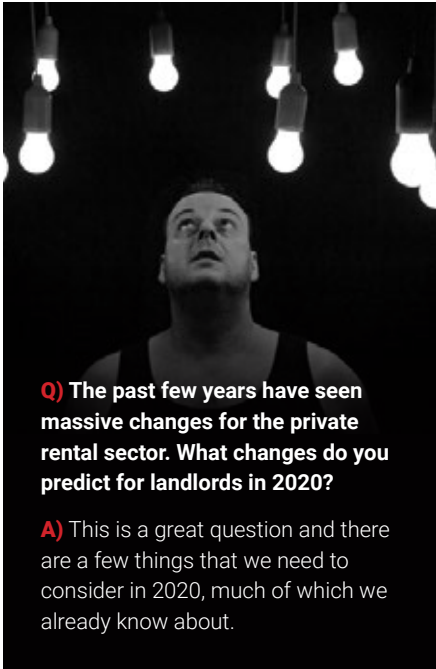
This is good news because it shows that this government is not simply waving through money-making schemes for local authorities. Liverpool just got their citywide selective licensing scheme through ahead of changes in regulation five years ago, which put restrictions on the size of licensing schemes. It also forced the authorities that wanted to introduce a scheme covering their whole area to apply to the Secretary of State, providing justification for adding to the financial burden of the letting industry.

Liverpool obviously failed to meet the requirements. This now sends a warning shot across the bow of other local authorities who seem not to understand what the word "SELECTIVE" means.

 [@landlordtweets](#)

 [Mary Latham Landlord](#)

With Rick Gannon



A) This is a great question and there are a few things that we need to consider in 2020, much of which we already know about.

From April 2020, landlords will need to make sure that the EPC for their rental property will need to be E or above. Previously this legislation stated that we could not rent to new tenants if the EPC was below E, but from April 2020 we can no longer rent to existing tenants either. Basically it will be a blanket ban on any property below this requirement. If your property is a listed building, then it may be exempt from the requirements.

To summarise, landlords must ensure that every fixed electrical installation is inspected and tested at regular intervals, which should be recommended by the qualified person on the most recent certificate, up to a maximum of five years.

- The landlord or agent must provide a copy of any new certificate/report within 28 days of the inspection to every tenant residing in the property.
- A copy of the report must be supplied by the landlord or agent to any new tenant before occupation.
- A copy of the most recent report must be supplied to any prospective tenant upon request within 28 days.
- The local housing authority can request a copy of the report which must be provided within seven days.
- Any landlord or agent that is in breach of the legislation can face fines of up to £30,000.

We are likely to see yet another hike in SDLT, but this time it looks like it will be isolated to foreign investors buying UK property. This hasn't been confirmed yet but it's likely that it will be implemented in order to try and stop foreign investors buying property in the UK and banking it and keeping it empty as an investment.

This has kind of gone quiet this year. Back in March 2019, it was ruled that the policy was fundamentally racist and incompatible with human rights. This has since prevented the scheme being introduced to Scotland, Wales and Northern Ireland, but it still remains in England. We may see some changes with this towards the latter part of this year, but for now we still need to remain compliant.



5 PROPERTY PRICES – THE GOLDEN QUESTION

For many reasons, 2019 was a pretty slow market – Brexit and the uncertainty with the government held things back somewhat. Land Registry data suggests UK property prices increased last year by just 1.3%. We don't rely on growth when we invest in HMOs as we buy for residual monthly income, so this element isn't that important for us.

But this has forced some investors further north to seek better opportunities. In my opinion, and now we have Brexit-ed, I believe that we will start to see a steady growth period towards the end of the summer, once things have settled down with Brexit and the Section 24 implementation.



6 REPEAL OF SECTION 21

One of the biggest changes that we are likely to see this year will be the repeal of the Section 21 eviction process. This will likely be implemented around September time this year, if past legislation changes are anything to go by.

This will mean that we will no longer be able to use no-fault evictions to remove tenants. Since this became news, there really hasn't been that much that we can reference. In order for this to work and be effective, the government would need to make the Section 8 process much more robust and give options for the removal of bad tenants. We will wait to see how this progresses.

7 SECTION 24 TAX

This is the mortgage interest tax relief changes, and it will come into full force this April. This is likely to see many landlords selling up as their portfolio may no longer provide enough cashflow. This will bring in some interesting opportunities for the professional investor and those looking to grow their portfolios, provided you have the correct tax structure within your business.

8 LOCAL/ADDITIONAL LICENSING

I believe we may see an increase in proposals for more local licensing. Currently only 60 councils across England operate this scheme which may mean any HMO (which is three or more people forming more than one household) could need a licence. The additional schemes mean that the council can regulate more properties that may otherwise fall under the radar, which is a good thing. I think the key element here is to try and future-proof your HMOs to licensable standard just in case your area does become an additional or selective licensing area.

9 SAY GOODBYE TO YOUR LOCAL LETTING AGENT?

Last year, research found that high street agents were closing up to 100 branches every six months! This is a huge number and may continue into 2020. This is largely down to the introduction of the Tenant Fees Act which was introduced in 2019.

The Act stipulated that agents and landlords can no longer charge fees for administration (amongst others) upon applying for a property. Some agents were dependant on these fees and have subsequently started to go out of business. So, is it the end of the high street agent? No, I don't think so. But it will be, of course, a game of the survival of the fittest – if you can adapt, then you can survive.



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"**.



REFERENCING A NEW RENT-TO-RENT COMPANY

New companies will often experience problems when it comes to referencing and this is true in any industry. This month's feature should go a long way in helping you avoid that problem. The working title was 'dancing the referencing dance', as this is often how it feels ... at least for your first few rent-to-rent deals.

TENACITY

Emily and I were once turned down by two young and somewhat smug hotshot agents who were unnecessarily rude to us. We swore we would never set foot in that agency ever again, but about eight months later, the wind blew us back in, and we secured a deal.

The two rude boys had left, the new team were open for business, and they were so keen to give us a deal they even brushed over the referencing. We later put this down to us dressing like them and talking the same language. According to the visionary author Seth Godin, we all like to belong to a tribe, and these agents clearly saw us as part of their tribe.

HOMEWORK

Before you place yourself in the line of fire, you need to spend some time getting ready for battle. If you're struggling with referencing, it could be that you're just speaking to the wrong person, or to a person you just don't gel with.

If so, ask to speak to the lettings manager or the agency owner, and map out your future long-term vision of working with them and how many properties you're looking to secure. Watch their eyes light up when you explain that as a business to business transaction, you can still pay fees. When you do this, you should also tell them your budget and show them your proof of funds (it's good to do this as they get sooo many tyre-kickers).

Plus always make them aware of your absolute professionalism, ie, you never back out of a deal and you always do what you say you're going to do. Remember the old rule of under-promising/over-delivering.

BE YOURSELF ... MAYBE?

It's a cliché but you rarely get a second chance to make a first impression (unless the staff move on, and they constantly do), so take your time to get this important step right. How do you look to the agent? Do you have a quality website and a cool business card? How are you dressed? Have you practised answering all the most common objections questions 100 times over, so that when you actually speak with the agents it'll feel like déjà vu? In short, are you 100% prepared, totally assured and absolutely confident that you can answer each and every question they fire at you?



JUMPING THROUGH HOOPS

The degree of referencing will vary wildly from a basic in-house credit check (probably just reading their tea-leaves!) to a full and comprehensive reference. They may also want to speak to your employer. What agents are looking for here is your personal affordability and the chances of you paying the rent should your tenants not pay you – but we know that's not going to happen, don't we?

They just want minimal risk and will have a few hoops for you to jump through, so be prepared with confident answers. If you're not 100% sure, just say you'll get back to them with the information within 24 hours. We have a letter that was drafted by our chartered accountant (CAs carry more weight) that we can produce to reassure any agent or landlord that we can afford the rent and have a solid credit history. If your accountant can produce a financial reference, a personal reference and a financial prediction for you, this will give most agents and landlords good confidence in you.

You might also show the agent the accounts of any other profitable business you or your partner may be running.

BEWARE!

There are good agents, there are average agents and there are absolute crooks! In the MLCS support group, there've been several instances of agents taking fees with no intention of doing any referencing and with the intent of keeping hold of the money – **Grrrr!**

Some agents have crafted the art of extracting their big fat fees down to a fine art, but annoying as it may be, it's an unavoidable part of the process. Over the years, we've given different agents exactly the same information, only to be passed by some and failed by others. So we also need to take into account the way the agent may calculate affordability, and therefore take meticulous care how we answer specific questions. This is where a crystal ball might come in handy ...

GENERAL CRITERIA

Most agents will want you to be earning three times the rent, and if you don't, you'll need a guarantor who does. It's a good idea to pre-empt this potential hurdle by applying the three-foot rule and ask everyone you are congruent with if they would be willing to be your guarantor.

If they are interested, find out what they want to make it work for them. Maybe they'd like a monthly percentage of the profit while they are needed in the deal (it might just be the first year) or maybe they want to be your ongoing business partner? Or maybe they would like some property education and experience and you can trade your skills?



MINIMUM INPUT

Some people try to circumnavigate the referencing process by offering bigger deposits, but we never do this as it ties up way too much money for far too long. In fact, we very rarely place deposits at all these days. Putting an Advanced Rent insurance policy in place to satisfy a guarantor might also be acceptable to the landlord/agent as an alternative to a deposit, as it covers the owner against loss of rent, deposit and emergencies.



Top tip: If the owner is asking for a larger deposit, assure them that after three years of family use and abuse, the property will be in a much worse state when it's handed back than if you took control of it. This is because you employ professional cleaners and gardeners, and are happy to carry out constant upgrades throughout the term, including touching up the paintwork.

Along with many others, we failed some referencing in our early days for unexplained reasons. At times felt like we were just being blocked by the agents. If you suspect this is happening to you, ask to be BCC'd in when they email your offer to the owner, as they're legally obliged to forward any offer you make on to the owner. We find it better to make our offer as a sealed PDF document as that way the agent can't edit it with their own negative words or misunderstanding.

ZERO RISK

If you find a potential guarantor but they are nervous, you can reduce their risk to zero by putting an insurance policy from Advanced Rent into place. This will guarantee the rent will be paid, so that your guarantor can sleep at night. After the first year or first few deals, they will have confidence in you not to need any more insurance.



IF ALL ELSE FAILS!

If they refuse to BCC you in, it could be that they aren't even forwarding your offer onto the owner. If you're getting the feeling that the agent doesn't really want to work with you, and they're obstructing absolutely everything you do, it might be time to bypass them and go direct to the landlord. Shock horror!

Think very carefully about this before you act, as this is often a bridge that can't be re-built once it's burned down. Agents are like elephants and never forget! There are a multitude of ways to track down an owner, and you might just have to become a private detective for a while to find them.

A first and simple way is to employ a professional tracing company. If the agent is a good one with lots of potential deals, you might even return and offer to pay the fee they would have got *if* they had worked with you. In the great scheme of things, this might be very beneficial and it will keep the door open for future deals.



DANCE CLASSES!?

The bottom line is that it's the agent's business and they make up the rules. Whatever dance the agent asks you to dance, whether it be Charleston, the Hokey Cokey or the shimmy ... you will have to learn it and join them, at least for a little while!



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

PROPERTY INVESTORS

Find your next property here!!!!

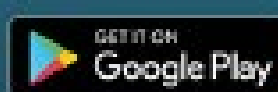
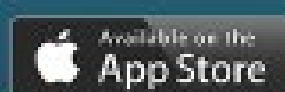
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- **Below Market Value**
- **Rent 2 Rent**
- **Lease Option deals**
- **Development Opportunities**
- **And so much more**

All properties have been appraised and are ready to go



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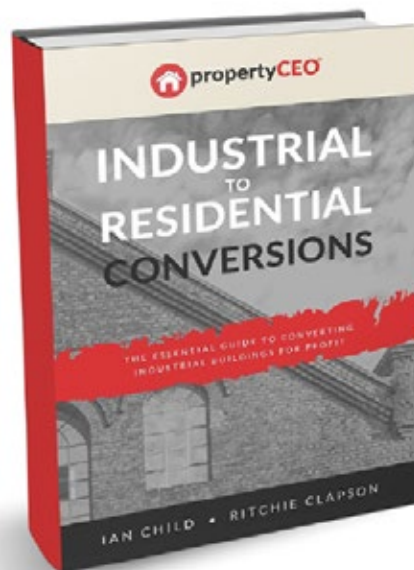
BY IAN CHILD AND RITCHIE CLAPSON

Some readers may well be scratching their heads at the prospect of converting industrial buildings into residential dwellings as it's not something that gets much (any) air time. In this book Ian Child and Ritchie Clapson share their extensive property development experience to take the lid of this niche strategy.

In the introductory section, the authors introduce the topic of industrial conversions together with the aims of the book and also describe their backgrounds. Also highlighted are the concepts behind property CEO and the additional free resources available to complement the book. In chapter two, the authors' use the story of "old Esmerelda" to highlight what could be achieved with a £200,000 investment using different strategies (including industrial conversions). A compelling read! Next, property development is compared to strategies involving the residential rental sector. They also introduce the concept of becoming a property CEO, notably assembling a professional team of advisors including a non-executive advisor (NEA), who should be someone with a track record in development.

The next few chapters cover deal analysis and due diligence, finance and risk. For the former, a set of golden rules to implement are highlighted and this section also introduces the Technical Corner – these occur throughout the book to provide more detailed explanations of certain terms and concepts. The chapter on project finance discusses all the options available, together with criteria that commercial lenders apply to derisk their investment.

In the second part, the authors elaborate on industrial conversions and how they fit into the planning class system. A key to using this strategy is the ability to undertake conversions using permitted development (PD). The inclusion of images will help the readers to appreciate what is meant by "industrial buildings". The section on the significant advantages of industrial conversions over other development strategies will give the reader a clear insight of why they should consider this strategy. The theme of industrial conversions is continued in the next chapter by discussing the different types of conversions, the ideal size for conversion and the geographical location of the project. The section concludes with a detailed look at where one can find



projects ripe for conversion and the types of properties to focus on.

In the next chapter, the authors stress that contacting owners directly could prove fruitful in securing deals and provide detailed guidelines on:

- (1) identifying the building owner and
- (2) approaching owners and building rapport

Having identified a potential opportunity, you need to establish: the types of end-units appropriate for the area (eg flats); the end value and the conversion cost. Ascertaining demand and the end values of units can be done using their Market Area Comparison (MAC) system, which involves Rightmove research, ideal unit type and input from at least three agents. The authors introduce the concept of block planning to approximate the number of units (flats) that can be developed and in combination, these numbers, minus developer profits will give an indicative offer to make.

In the next few chapters, the permitted development (PD) rights process and the planning process is described in an easy-to-understand manner (note: even PD projects will require some planning approval eg changes to the external facia). Another aspect of planning is "space planning" which continues the theme of block planning to ascertain how the development should be laid out to maximise the number of units. The concept of an "internal courtyard" is introduced – this may be an essential requirement in industrial conversions due to access and light issues (think poorly lit MOT stations, print shops etc). Once again,

the judicious use of images will greatly help the reader in understanding terminology and concepts.

Converting industrial buildings to residential units can be challenging with respect to maximising natural light and thermal insulation. These challenges are not insurmountable and ways to overcome both aspects are discussed, again using diagrams to aid understanding. Industrial buildings are generally built on a concrete slab which often houses heavy machinery – this can provide huge advantages with these types of conversions as no groundworks are required.

Depending on the target buyer, industrial conversions could also provide a design advantage through retention of unique architectural features eg vaulted ceilings. A key recommendation is to involve an interior designer and your chosen estate agent at an early stage of the project. Whatever you decide, do include as many wow-factor items as possible (examples given). The final chapter is the all-too-important one of marketing the units effectively to achieve a quick sale and realise the profits you have worked so hard for. A number of marketing strategies are discussed eg pre and post development approaches, with the key advice being to work closely with your preferred estate agent.

WHO IS THIS BOOK FOR?

Despite being over 300 pages long, this book has managed to create a great blend of rich content shared in an easy-to-read, interesting and conversational manner. Although industrial conversions are the main focus, there is a huge amount of useful information to satisfy anyone considering conversions. The book is really well laid out and easy on the eye, with lots of diagrams and case studies to facilitate learning.

Reassuringly, the authors have over six decades of property/business experience, which is reflected in the depth of information they have provided. I have only reviewed a handful of property development books in the pages of YPN – this is one of the best and is a **must read** for anyone interested in property development.

FURTHER RESOURCES

Website: www.propertyceo.co.uk

Podcast: **The property CEO podcast**

Book reviewed by:

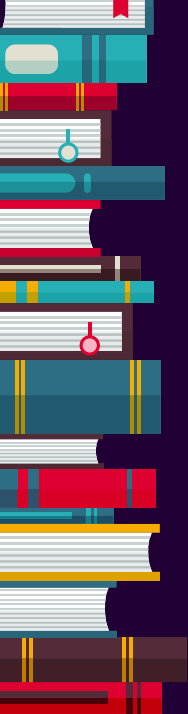
Raj Beri



www.rajberi.co.uk Email: raj@rajberi.co.uk

Book Details:

Available from **Amazon** Date published: **2019**



LEARNINGS FROM THE 52 BOOKS THAT I PICKED UP LAST YEAR

By Richard Brown
aka



A quote that I cherish comes from Charlie 'Tremendous' Jones who says:

“You will be the same person in five years as you are today except for the people you meet and the books you read.”

Once upon a time, I hated reading and barely managed to get through the odd John Grisham thriller whilst on my annual holiday! However, now I practice the 'growth mindset' and am a committed reader, and I thoroughly enjoy the experience, especially when it comes to personal and professional growth.

So, I underwent a recap of all the books that I picked up last year. I wanted to see what I read and how, what I gained the most from and what could I summarise as some of the key takeaways.

I hope this helps you just a little bit, perhaps if only with the odd book recommendation that you haven't had before, or even a reading challenge goal for this year.



First, here are my general observations...

You can't read 'em all. 52 is a lot of books, certainly for me! I actually managed to read 33 last year, which is an average of a book every week and a half. The most I have managed in a single year is 44, when I set myself a specific reading challenge (revising it up more than once). So, a reading goal and being held accountable to it can get you through more volume if you want that. I now have a book list that numbers hundreds; drop me a line if you would like a copy.

Format matters, it seems. Almost 60% of the books that I read last year were in audiobook format, which is really handy for a couple of reasons: I can multi-task, often 'reading' whilst travelling or exercising, and I have trained myself to listen at 1.75x speed to get through them quicker too. Whilst I managed quite a few paperbacks (10), the Kindle format reading volume was surprisingly low, with many of these slipping to the 'still to read list'. So, I might invest in a Kindle device this year rather than try to read on the Kindle phone app. In my 'big reading year' I had all three formats on the go at once, meaning I was never far away from reading a book.

Subject diversity is stimulating. The themes the 33 books cover include mindset and emotional intelligence, personal finance and investment, property and PropTech, habits, routines and processes, biographies and even philosophy and spirituality. I discovered the concept of 'mental models' (sparing you the obvious joke!) through Michael Simmons who highlights that many billionaires become 'expert generalists', with a wide range of diverse interests that they apply to their businesses, I am now reading more widely than I used to.

Recommendations can be surprising. Several of the books that I read this year were suggested

to me by people in my inner circle and community, with four of these making the top ten. So, keep your eyes and ears peeled for a bit of inspirational content.

Some books are gamechangers or deeply thought-provoking. Eight out of the top ten fall into this category.

Some books are simply reinforcing or solid. Two from the top ten and many others that I read would fall into this category.

Some are not so great and disappointing. You must kiss a few frogs but don't let that stop you. One tip: you don't always have to finish a book, although one previous example that I almost quit hit me straight between the eyes in the very last chapter (Start With Why).

Books are great for deep dives. There is something that you get from a book that you just can't get from other media or book summaries, I have found. It's hard to explain but a book takes you on a kind of immersive journey that stays with you for longer.

Other media offers great soundbites and tasters. Whilst books are great to go deep, other media and book summaries do allow you to go wider. I try to read articles (big shout out to Medium), listen to a range of podcasts and watch the odd TED Talk to put the tentacles out ... often leading to more book suggestions as a result.

Choices: new material or re-read. There is a school of thought that 'less is more' when it comes to reading, with some people claiming that sticking to several classics and re-reading them is better than constantly reading new material. I sit between these two extremes and have started re-reading a few titles, whilst also searching for new material, which strikes a happy medium I have found.



THE TOP 10 FROM 2019

Here are the top 10 books that I read last year, along with a short synopsis.

What I Learned Losing a Million Dollars
– Jim Paul & Brendan Moynihan

There are literally hundreds of ways and models of achieving success; many being seemingly contradictory! According to the authors, there are only three key reasons for failure or losses as an investor or trader; don't take failure or losses personally, don't decide using 'emotionalism', and don't follow the crowd! If you only read one of the books from this list, make it this one.

The Black Swan – Nassim Nicholas Taleb

I recently discovered Taleb's work and have already read two of his titles... with more to follow. He is outspoken, contrarian and glaringly right too! Rare events or Black Swans happen with repeating regularity, so we need to factor them into our plans and decision-making more than most of us tend to do.

Can't Hurt Me – David Goggins

Wow, this guy is simply not human! Goggins came from a deprived background, defeated the odds to become a US Marine and proved the power of mind over body in so many remarkable ways. How else do you explain him managing to run for miles with two broken legs? According to Goggins, we only use 40% of our physical capacity; using our mind we can eke out more. The audiobook is more like a book-come-podcast, which I really enjoyed.

Charlie Munger: The Complete Investor – Tren Griffin

This book opened my mind to the 'expert generalist' way of thinking that Munger, Warren Buffett's more shy business partner, has. He reads widely and applies the learnings he picks up from various disciplines to his investment decision-making process.

Mindset – Dr. Carol Dweck

There are two types of mindset, the 'growth mindset' and the 'fixed mindset'. A growth mindset means that we can literally make ourselves more intelligent AND resilient in life too.

Give and Take – Adam Grant

There are three types of people ... givers, takers and matchers, with the Machiavellian twist of a faker. This book helped me to set clearer boundaries

around my giving activities, which has helped change my approach significantly for the better. Spoiler alert: givers are both the most and least successful in life...

Principles: Life and Work – Ray Dalio

Another 'expert generalist' and another book suggested to me. Principles is about setting clear written rules to live and work by. It was a great reminder to stick to my own investing rules, adapting them for new business models, such as property development or serviced accommodation.

Commercial Property Conversions – Mark Homer & Glenn Delve

A great guide to commercial conversions, especially aimed at smaller developers. There are some handy rules of thumb outlined in here.

Commercial to Residential Conversions – Mark Stokes

Another book on commercial conversions, this time aimed at a medium-sized developer with eyes on building a larger development business.

Option B – Sheryl Sandberg & Adam Grant

A surprising read, as it addresses the topic of grief and loss. It's often a taboo subject, although this book really helps to understand the process in a very personal way, which is useful if you are going through it or know someone that is.

Given the fact that book suggestions worked so well this year, why don't you drop me a note of those books that have worked well for you ... keeping in mind that I have read a lot of property books already.

If you want to know what the other 42 books that I acquired were, then just head over to www.thepropertyvoice.net/podcast and check out the episode dated 29th January 2020.

If you want to share your reading challenge goal with me for a bit of accountability, you can contact me here: 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"**.



THE 19 UNBREAKABLE, PROVEN, MONEY-MAKING RULES OF TRADING AND INVESTING (AND EVERYTHING ELSE TOO)

By **Marcus de Maria**

In last month's article, I started listing my 19 Golden Rules for making money in the stock market, and it can apply to all money-making endeavours. This month, I'll cover rules seven through ten.

Just to remind you, last month's Golden Rules were:

Golden Rule 1: Have Fun!

Golden Rule 2: Work on Your Psychology and Beliefs around Money

Golden Rule 3: Create Your Supportive Environment

Golden Rule 4: Make Your Trading Decisions When the Market is Closed

Golden Rule 5: Focus on Your Long-Term Vision and Goals

Golden Rule 6: Know **WHY you are doing this**

Without further ado, let's jump straight into it for this month:



Golden Rule 7:

Find Your Motivation – is it away from pain or towards pleasure?



This rule is almost an advanced rule, and it makes all the difference. Some people are what's known as 'towards motivated' and others are 'away from motivated'. This means that some people are more motivated by pleasure and others by pain. If motivated by pleasure, it means they are determined to move towards what they want and if motivated by pain, it means they would rather move away from what they don't want.

If you fall into the first camp of being motivated towards pleasure, then having a list or a vision board of what you want to achieve will work for you. Picturing the boats, houses, cars or charity work you want to get from life will push you to work harder. However, if you're motivated away from pain, having the vision board won't get you going. This partly explains why goal setting doesn't work for around half of the population.

Personally, I'm motivated away from pain.

I couldn't care less about houses, cars, boats and designer labels. However, I want to ensure that I don't die having spent my life chasing something I didn't really want. I don't want to think my life was a waste of time, and I don't want to have any regrets. For many years, I had an image of me lying on my deathbed realizing that I had wasted my life. This image motivated me for a long time to get up every morning and do what needed to be done.

Granted, that might seem a little extreme to some. Maybe you need to think about what you are no longer willing to put up with in your life? Focus on that as the motivation you need to get into action.

This is what distinguishes the successful people from those who aren't as successful. They do whatever it takes, even when they don't feel like it because they remember the reason why they decided to do it in the first place.

Golden Rule 8:

Never Give Up

Many years ago, my mentor, George Zalucki explained the definition of the word commitment. I really like this definition ...

"Commitment is doing the thing you said you were going to do, long after the feeling in which you said it has gone."

That's real commitment. We all have days where we feel like not doing something anymore, want to put things off until tomorrow, or would much rather watch a film than work. I totally understand it, but it's not going to get you where you want to be.

I recently watched the film **Founder**, starring Michael Keaton. It's about Ray Kroc, the founder of McDonald's. Did you know that Ray was a 52-year-old struggling milkshake machine salesman, always chasing the latest idea, when he launched McDonald's? When asked, he put his success down to just one word – persistence. It's a film well worth watching.

Here's the good news ... if commitment, determination and persistence are the vital traits to succeed, and knowing that many people don't have them, then how simple is it to become successful compared to others? There are certain things that we cannot influence – where we were born, how much money our parents had, etc. But never giving up is totally within your control.

Golden Rule 9:

Focus on One Strategy Until You Master It

Many prefer having working on several strategies at the same time instead of mastering just one first. Focus is the name of the game. Focus on just the one thing, and then keep doing it until that plate is spinning safely. Only then can you move on to the next strategy. If you get distracted by something else, you'll end up like an eagle chasing three rabbits and catching none.

Take the stock market for example. There are three strategies to correlate with the three market movements –

up, down and sideways. But when starting out, it's best to focus all your efforts into just mastering one.

What does mastering something even mean? It means to know exactly what to do no matter what happens. If you get into a stock, what do you do if it goes up or down? I encourage using a virtual trader to master a strategy before investing any real money. That way you can avoid rookie mistakes and increase your confidence.



Golden Rule 10:

Have Written Trading Rules – And Follow Them!

Most people won't have a Trading System, which will tell you when to enter, when to exit, how much money to put in and how to manage the trade. There are measurable rules that make up the system, and the idea is to follow them to the letter.

When people don't have rules, they lose money and then wonder what happened. And they'll probably blame the stock market! Sometimes, people who have the rules don't even follow them. Why? Because once the markets open, they get excited about the movements they see and get sucked into the excitement of the trade.

Why not be unlike 99% of traders and have written rules? The good news is that this will ensure your success, as usually, doing the opposite of the masses is the correct strategy in itself.

This rule can be applied to any strategy. Write down your rules, so that you can check them off as you do them. Remember, a pilot who has flown 1,000 times will still go through a checklist before any flight to avoid human error. Make sure you do the same.

You can download a copy of my book for free here:
<http://investment-mastery.com/ypn-ltt-book>

Until next month

Marcus



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
				IHT	Inheritance tax
BRR	Buy, refurbish, rent out	DoT	Deed or Declaration of Trust	IRR	Internal Rate of Return
BTL	Buy-to-let	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)
BTR	Build-to-rent	EHO	Environmental Health Officer		
BTS	Buy-to-sell	EIS	Enterprise Investment Scheme	JV	Joint venture
C2R	Commercial to residential conversion	EPC	Energy performance certificate	JVA	Joint venture agreement
CCA	Consumer Credit Act	FCA	Financial Conduct Authority	KPIs	Key Performance Indicators
CDM	Construction Design and Management	FHL	Furnished holiday let	L8 ACOP	Approved Code of Practice L8 – Legionella Control and Guidance
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)	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	MHCLG	Ministry of Housing, Communities & Local Government
		GDPR	General Data Protection Regulation	MVP	Minimum viable product

NALS	National Approved Letting Scheme	RLA	Residential Landlords Association	1. Prescribe the nature of development	
NICEIC	National Inspection Council for Electrical Installation Contracting	RoCE	Return on Capital Employed	2. Compensate for loss or damage created by a development	
NLA	National Landlords Association	ROI	Return on Investment	3. Mitigate the impact of a development (Source: planningportal.co.uk)	
OIEO	Offers in excess of	RP	Registered Proprietor, refer ring to the name on the title of a property Land Registry	SA	Serviced Accommodation
OMV	Open market value			SAP (assessment)	Standard assessment procedure
ONS	Office for National Statistics	RSJ	Rolled-steel joist – steel beam	SARB	Sale and Rent Back
OTA	Online travel agent	RTO	Rent to Own	SDLT	Stamp Duty Land Tax
PBSA	Purpose-built student accommodation	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)	SI	Sophisticated Investor (Source: FCA)
PCA	Property Care Association, a trade organisation for specialists who resolve problems affecting buildings			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.	
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.	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:	
PI insurance	Professional Indemnity insurance			(a) Member of a syndicate of business angels for at least six months;	
PLO	Purchase lease option			(b) More than one investment in an unlisted company within the previous two years;	
PM	Project manager	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;	
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)			(d) Director of a company with annual turnover of at least £1m within the previous two years.	
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)	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
		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:	SME	Small and Medium-sized Enterprises
PRS	Private Rented Sector			SPT	Statutory periodic tenancy
R2R	Rent-to-rent			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.
REIT	Real Estate Investment Trust			SSTC	Sold Subject To Contract
RGI	Rent guarantee insurance			TPO	The Property Ombudsman
RICS	Royal Institute of Chartered Surveyors			UC	Universal credit
				UKALA	The UK Association of Letting Agents
				USP	Unique selling point
				VOA	Valuation Office Agency

Boring Buy To Lets Help Secure Your Financial Future

We offer lucrative property deals in the North East! Our below market value investment opportunities will allow you to create an income stream through property and receive excellent returns on investment!



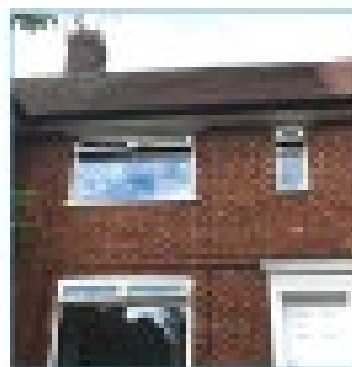
- Purchase Price: £14,000
- Refurb: £15,400
- Post Works Value: £60,000
- Re Mortgage and only Leave £650 in Debt.
- £100 Positive Cashflow per Month.



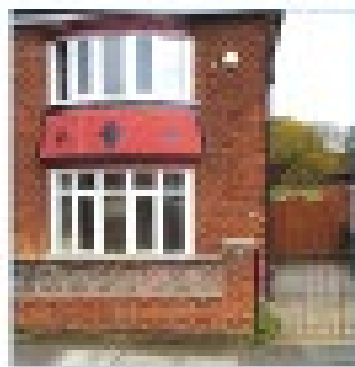
- Purchase Price: £31,500
- Refurb: £12,500
- Post Works Value: £55-£60,000
- Rent: £400 Per Month
- Great Return on Investment



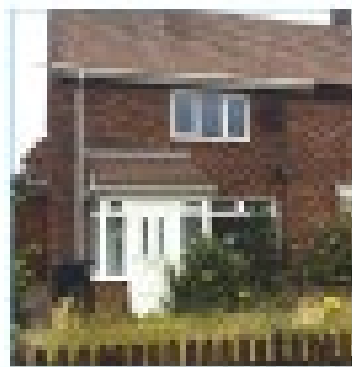
- Purchase Price: £45,000
- Refurb: £18,400
- Rent: £425 Per month
- Post Works Value: £78,000
- Refinance & only Leave £750 in the debt.



- Purchase Price: £62,000
- Post Works Value: £80,000
- Rent: £475 Per Month
- Refurb: £5,000



- Purchase price: £38,000
- No stamp duty
- Refurb: £13,000
- Rent: £460
- Post Works Value: £65,000
- Only Leave £3,750 on Refinance.

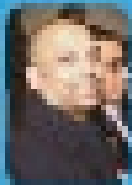


- Purchase Price: £35,000
- No Stamp duty
- Refurb: £8,000
- Post Works: £55,000
- Rent: £400
- Only Leave £6,000 in The Deal
- 42.7% Return on Investment

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 where I was going forward in terms of the deals I should and shouldn't do.

What really impressed me about Mike, was the fact that he is 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 Omeri, Client 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 their services for future property purchases in the area.

Alex Barman, Client, 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 15th, 1 hour consultation slots from 10am till 5pm.

Look forward to meeting you there.



Our very best

Mike Massey MSc (Hons)
Founder
Talking Houses NE Ltd



Martin Cockhill
Operations Director
Talking Houses NE Ltd

NETWORKING EVENTS

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Blackfriars pin

4th Tuesday of the month

Crowne Plaza 19 New Bridge Street

Blackfriars London EC4V 6DB

Host: Jo Jamison da Silva

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 Ikhinmwin

www.canarywharfpin.co.uk

Clapham pin

1st Tuesday of the month

Landor Space 70 Landor Road

Clapham London SW9 9PH

Host: Paul Trowell

www.claphampin.co.uk

Croydon pin

3rd Wednesday of the month

Jurys Inn Croydon Hotel Wellesley Road

Croydon CR0 9XY Host: Elsie Ofili

www.croydonpin.co.uk

Kensington pin

2nd Wednesday of the month

Holiday Inn - Kensington High Street

Wrights Lane, Kensington, London

W8 5SP Hosts: Abs and Adam Hassan

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 10/03/2020

Leo Nova South, 160 Victoria Street

Westminster London SW1E 5LB.

Hosts: Pippa Mitchell & Tej Singh

progressivepropertynetwork.co.uk/knightsbridge

PPN Blackfriars 09/03/2020

Crown Plaza 19 New Bridge St London

EC4V 6DB Host: Kevin McDonnell

progressivepropertynetwork.co.uk/mayfair

PPN Monument 03/03/2020

The Steel Yard, Allhallows Lane, London,

EC4R 3UE

Host: Michael Primrose

progressivepropertynetwork.co.uk/monument

PPN London St. Pancras 04/03/2020

Impact Hub, 34b York Way, London,

NW1 9AB Hosts:

Jamie Madill & Steve Mitchell

progressivepropertynetwork.co.uk/stpancras

PPN Mayfair 17/03/2020

The Lansdowne Club 9 Fitzmaurice Pl,

Mayfair, London W1J 5JD

Host: Kamila Wszolek

progressivepropertynetwork.co.uk/mayfair

PPN Stratford International 16/03/2020

Stratford Circus Arts Centre, Theatre

Square, Stratford, London, E15 1BX

Host: Motiul Islam

progressivepropertynetwork.co.uk/stratfordinternational

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 Filmanaviciute

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

sel@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

1st Tuesday of each month 6:30 – 9:30 pm

The Washington Hotel, 5 Curzon Street,

Mayfair, 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 09/03/2020

Ufford Park Hotel,

Melton, Woodbridge, IP12 1QW

Host: Halstead Ottley

progressivepropertynetwork.co.uk/ipswich

PPN Brentwood 03/03/2020

Holiday Inn Brook Street CM14 5NF

Hosts: Sarah and Tony Harding

progressivepropertynetwork.co.uk/brentwood

PPN Peterborough 16/03/2020

Holiday Inn Thorpe Wood Peterborough

PE3 6SG Host: Josh Shaw

progressivepropertynetwork.co.uk/peterborough

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 **3rd Tuesday of the month**
Jurys Inn Godstow Rd Oxford OX2 8AL **Host:** David Granat
www.oxfordpin.co.uk

Reading pin **1st Tuesday of the month**
Crown Plaza Reading Caversham Bridge Richfield Avenue Reading RG1 8BD **Hosts:** Rupal Patel and Guy Brown
www.readingpin.co.uk

Berkshire pin **3rd Monday of the month**
Holiday Inn Maidenhead Manor Lane Maidenhead SL6 2RA **Hosts:** Andy Gaught and Jonathan Barnett
www.berkshirpin.co.uk

Southampton pin
1st Tuesday of the month
Chilworth Manor Hotel Southampton Hampshire SO16 7PT
Hosts: Nigel Bugden and 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

4 Bournemouth pin **2nd Tuesday of the month**
Village Hotel Bournemouth, Wessex Fields, Deansleigh Road, Bournemouth, BH7 7DZ
Hosts: Debbie and Mike Watts
www.bournemouthpin.co.uk

Cheltenham and Gloucester pin
3rd Tuesday of the month
The Best Western Cheltenham Regency Hotel Old Gloucester Road Near Staverton Gloucestershire GL51 0ST
Host: Phil Kiernan
www.cheltenhamandgloucesterpin.co.uk

Devon pin **4th Thursday of the month**
Buckerell Lodge Hotel Topsham Road Exeter EX2 4SQ **Hosts:** Kevin and 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 17/03/2020
The Ocean Beach Hotel & Spa 32 East Overcliff Drive Bournemouth BH1 3AQ
Host: Leigh Ashbee
progressivepropertynetwork.co.uk/bournemouth

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

PPN Bristol 19/03/2020
Village Inn - Bullfinch Close, Filton, Bristol BS34 6FG **Hosts:** Paul Bennett and Paul Duval
progressivepropertynetwork.co.uk/bristol

PPN Exeter 04/03/2020
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
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

Partners in Property Southampton
1st Thursday of the month
DoubleTree by Hilton Southampton, Bracken Pl, Chilworth, Southampton SO16 3RB **Hosts:** Sarah Smith, Sam Bed-doe, Karen Stanbridge
<https://www.partners-property.com>

Premier Property Club - Brighton
1st Thursday of the Month
Jurys 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

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
Crown 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 and 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

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

PPN Wolverhampton 03/03/2020
The Cleveland Suite, Wolverhampton Racecourse, Gorsebrook Road, Wolverhampton WV6 0PE **Host:** Liam McCullough
progressivepropertynetwork.co.uk/wolverhampton

PPN Birmingham 11/03/2020
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 18/03/2020
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 26/03/2020
Best Western Plus Pinewood on Wilmslow
Wilmslow Road Cheshire
SK9 3LF **Host:** Mike Chadwick
progressivepropertynetwork.co.uk/wilmslow

PPN Blackpool 23/03/2020
Ribby Hall Village Ribby Road
Wrea Green Nr Blackpool PR4 2PR
Host: Niki Torbett
progressivepropertynetwork.co.uk/blackpool

PPN Liverpool 12/03/2020
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 2nd 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 10/03/2020
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 Factory
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 12/03/2020 Village Hotel in
Cardiff, 29 Pendwyallt Road Cardiff CF14 7EF
Hosts: Sean Forsey & Phill Leslie
progressivepropertynetwork.co.uk/cardiff

PPN Northampton 17/03/2020
Hilton Hotel 100 Watering Lane
Collingtree Northampton NN4 0XW
Host: Kim Hendle
progressivepropertynetwork.co.uk/northampton

PPN Leicester 19/03/2020
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
Hosts: Rachel Knight & Adam Bass
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:** Diane Greenwood
www.harrogatepin.co.uk

York pin 3rd Wednesday of the month
York Pavilion Hotel, 45 Main Street,
Fulford, York, YO10 4PJ
Hosts: MikeQ 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
2nd Tuesday of the month
Mercure Newcastle George Washington
Hotel Stone Cellar Road, High Washington,
Newcastle upon Tyne NE37 1PH
Hosts: Mark Fitzgerald and Tim Ives
www.greatnorthpin.co.uk

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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 19/03/2020
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

PPN Sheffield 17/03/2020
Mercure Hotel Britannia way Catcliffe
Rotherham Yorkshire S60 5BD
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds 10/03/2020 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 23/03/2020
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

MARCH 2020

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LONDON

Harman Healy 05/03/20 12:00

Kensington Town Hall, 195 Hornton Street, London, W8 7NX

Barnard Marcus 07/03/20 10:30

Grand Connaught Rooms, Great Queen Street, London, WC2B 5DA

Auction House London 25-/03/20

12:00 London Marriott Hotel, Regents Park, 128 King Henrys Road, London, NW3 3ST

Acuitus 26/03/20 The Montcalm Hotel, 2 Wallenberg Place, London, W1H 7TN

Savills (London - National) 26/03/20 The London Marriott Hotel, Grosvenor Square, London, W1K 6JP

Allsop Commercial 30/03/20

The Berkeley, Wilton Place, London, SW1X 7RL

Allsop Residential 31/03/20

The Event Suites at Great Cumberland Place (Hard Rock Hotel), Marble Arch, London, W1H 7DL

NORTH EAST

Agents Property Auction 31/03/20

Newcastle Marriott Hotel, High Gosforth Park, Newcastle upon Tyne, NE3 5HN

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, Timbold Drive, Kents Hill, Milton Keynes, MK7 6HL

Romans 27/02/20, 13:30 Green Park Conference Centre, 100 Longwater Avenue, Reading, RG2 6GP

SCOTLAND

Wilsons (Scotland) 10/03/20 Dalry Auction Complex, 6, Kilwinning Road, Dalry, KA24 4LG

Wilsons (Scotland) 24/03/20 Dalry Auction Complex, 6, Kilwinning Road, Dalry, KA24 4LG

NORTH WEST

Town & Country Property Auctions

Cumbria 02/03/20 19:00

North Lakes Hotel, Ullswater Road, Penrith, CA11 8QT

Auction House North West 12/03/20

14:00 Bolton Wanderers Football Club, Macron Stadium, Burnden Way, Bolton, BL6 6JW

Auction House Manchester 16/03/20

14:00 Manchester City Football Club Ltd, Etihad Stadium, Rowsley Street, Manchester, M11 3FF

Town & Country Property Auctions

Cheshire & Wirral 31/03/20 19:30 The Cheshire Saleroom, Withyfold Drive, Macclesfield, SK10 2BD

YORKSHIRE AND THE HUMBER

Blundells 05/03/20 13:00

Double Tree by Hilton Sheffield Park, Chesterfield Road South, Sheffield, S8 8BW

Bramleys 05/03/20

John Smiths Stadium, Stadium Way, Huddersfield, HD1 6PG

Feather Smailes & Scales 05/03/20

The Pavilions of Harrogate, Great Yorkshire Showground, Railway Road off Wetherby Road, Harrogate, HG2 8QZ

Auction House Hull & East Yorkshire

18/03/20 18:30 Beverley Racecourse, York Road, Beverley, HU17 8QZ

WEST MIDLANDS

Butters John Bee 09/03/20

The Best Western, Moat House Hotel, Festival Way, Stoke-on-Trent, ST1 5BQ

Auction House Staffordshire

24/03/20 19:00 Stoke City Football Club, The Britannia Stadium, Stanley Matthews Way, Stoke-on-Trent, ST4 4EG

John Earle & Son 24/03/20

Henley Golf & Country Club, Birmingham Road, Henley-in-Arden, B95 5QA

Bagshaws Uttoxeter 25/03/20

Uttoxeter Racecourse, Wood Lane, Uttoxeter, ST14 8BD

Loveitts 25/03/20 18:30

Village Urban Resort, Dolomite Avenue, Coventry Business Park, Coventry, CV4 9GZ

Town & Country Property Auctions

West Midlands 26/03/20 19:00

The Village Hotel, Castle Drive, Dudley, DY1 4TB

SOUTH-EAST HOME COUNTIES

Auction House Sussex 05/03/20

14:30 The Hove Club, 28 Fourth Avenue, Hove, BN3 2PJ

Town & Country Property Auctions

Dorset & Hampshire 12/03/20 18:30

Holiday Inn Eastleigh, Leigh Road, Eastleigh, SO50 9PG

Town & Country Property Auctions

South East 12/03/20 18:30

Holiday-Inn London-Gatwick Airport, Povey Cross Road, Horley, RH6 0BA

Star Property Auctions 19/03/20

The Dome Room, Hotel Du Vin, 2 Ship Street, Brighton, BN1 1AD

Clive Emson Essex, North & East

London 23/03/20 11:00

The Chelmsford City Racecourse, Moulsham Hall Lane, Great Leighs, Chelmsford, CM3 1QP

Clive Emson Kent & South East

London 24/03/20 11:00

Clive Emson Conference Centre, Kent County Show Ground, Maidstone, ME14 3JF

Clive Emson Hampshire & Isle of

Wight 25/03/20 11:00 Solent Hotel, Rookery Avenue, Fareham, PO15 7AJ

Dedman Gray Auctions Ltd

25/03/20, 14:00 The Holiday Inn Hotel, London Southend Airport, Southend-on-Sea, SS2 6XG

Fox & Sons (Southampton)

26/03/20, 13:00 Macdonald Botley Park Hotel, Winchester Road, Botley, Southampton, SO32 2UA

Clive Emson Sussex & Surrey

27/03/20, 11:00 Hilton Brighton Metro-pole, 106-121 Kings Road, Brighton, BN1 2FU

EAST ANGLIA

Goldings 04/03/20 14:15 The Hangar, Milsoms Kesgrave Hall, Hall Road, Kesgrave, Ipswich, IP5 2PU

Durrants 11/03/20

The Auction Rooms, Peddars Lane, Beccles, NR34 9UH

Cheffins 18/03/20 14:00

Clifton House, 1-2 Clifton Road, Cambridge, CB1 7EA

Brown & Co 26/03/20 11:00

Assembly House, Theatre Street, Norwich, NR2 1RQ

NORTHERN IRELAND

Wilsons (Northern Ireland) 11/03/20

Mallusk Auction Complex, 22, Mallusk Road, Newtownabbey, BT36 4PP

SOUTH WEST

Rendells Newton Abbot 11/03/20

15:00 Jolly Farmer, 8 Market Street, Newton Abbot, TQ12 2RB

Stephen & Co 11/03/20 19:00

Rookery Manor, Edingworth Road, Weston-Super-Mare, BS24 0JB

Taylor & Fletcher Stow on the Wold

11/03/20 North Cotswold Saleroom, Lansdowne, Bourton on the Water, GL54 2AR

Cooper & Tanner Auctions 12/03/20

The Standerwick Centre, Frome Market, Standerwick, Frome, BA11 2QB

Greenslade Taylor Hunt Yeovil

12/03/20 15:00 Shrubbery Hotel, Station Road, Ilminster, TA19 9AR

Phillips Smith & Dunn Barnstaple

20/03/20 Barnstaple Hotel, Braunton Road, Barnstaple, EX31 1LE

Greenslade Taylor Hunt Burnham-

on-Sea 25/03/20 19:00 Batch Country House, Batch Lane, Lymphsham, BS24 0EX

Clive Emson West Country 26/03/20

11:00 St. Mellion International Resort, St. Mellion, Saltash, PL12 6SD

Symonds & Sampson LLP 27/03/20

14:00 Digby Hall, Hound Street, Sherborne, DT9 3AA

WALES

John Francis 04/03/20, 15:00

Parc y Scarlets, Llanelli, SA14 9UX

Paul Fosh Auctions 19/03/20

The Cardiff North Hotel, Circle Way East, Llanedeyrn, Cardiff, CF23 9XF

All Wales Auction - North Wales

Auction 23/03/20 M-S Parc, Parc Gwyddoniaeth Menai, Gaerwen, LL60 6AG

Dawsons 31/03/20

Swansea Marriott Hotel, Maritime Quarter, Swansea, SA1 3SS

Seel & Co 31/03/20

The Ricoh Suite, Cardiff City Stadium, Leckwith Road, Cardiff, CF11 8AZ

EAST MIDLANDS

Auction House Northamptonshire

04/03/20 11:00 Hilton Northampton, 100 Watering Lane, Collingtree, Northampton, NN4 0XW

Shonki Brothers (Narborough Road)

11/03/20 17:30 Leicester City Football Club, Filbert Way, Leicester, LE2 7FL

The County Property Auction

11/03/20 19:00

Doubletree by Hilton, Brayford Wharf North, Lincoln, LN1 1YW

SDL Auctions Graham Penny (Derby)

26/03/20 11:30 Pride Park Stadium, Pride Parkway, Derby, DE24 8XL

SDL Auctions Graham Penny

(Leicester) 27/03/20 11:30

Leicester City Football Club, King Power Stadium, Filbert Way, Leicester, LE2 7FL



TOTAL DEVELOPMENT

**TIRED OF DEALING WITH BUILDERS WHO DON'T UNDERSTAND
WHAT YOU ARE TRYING TO ACHIEVE?**

**ALWAYS WANTED TO DO A DEVELOPMENT PROJECT BUT
NOT SURE WHERE TO START?**

**LOOKING TO ADD VALUE TO A PROJECT BUT WANT
THE CONFIDENCE TO CHOOSE THE RIGHT ONE?**

Development and refurbishment are an integral part of most property strategies. However many new investors do not have a construction background and can easily be put off by the unknown costs and risk for projects to go wrong.

Understanding the basics of development is key to ensuring you keep your hard-earned profit and will give you the confidence to scale up your portfolio.

There are many areas that fall under the umbrella of 'Development' but our programme will guide you through the minefield of options and provide you with the support and knowledge you need to maximise your success.

Whether you are stepping up from a lick of paint and replacing carpet or venturing out to more profitable and challenging sites, we will be covering all the issues you face in your projects; how to spot them, how to solve them and an idea of the costs involved. Here are just some of them!

- Damp
- Structural issues
- Adding value through development strategies
- Dry rot
- Japanese knotweed
- Cracks in the walls
- Working with builders and trades

Do these challenges put you off starting your next project? You don't have to wait any longer, now is your chance to get started!

Making money from development projects means understanding your numbers, managing

your team and your time and having the confidence to take a leap of faith and try something new. With the right support and knowledge you can go after the projects you've always wanted to try!

If you want to REALLY understand the opportunities, the costs and the realities of development projects, then TOTAL Development is for you!

TOTAL Development consists of fortnightly webinars with experts, advisors and active investors in this area. These sessions will cover what you need to know, along with deep-dive interviews with investors who are willing to bare all about their projects to reveal the nitty-gritty of the business. Not just the highs but also the lows so you can learn from their mistakes.

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

TOTAL Development webinars run twice a month, on the 1st and 3rd Wednesday of the month at 8pm. Our first webinars include case studies with Dick and Pete Dabner, Mark Poole and Martin Rapley. We will cover with the essentials of key areas to consider when looking for your next deal, including appraisals, feasibility and the fundamentals.

Make your development projects a TOTAL success! Join us today at

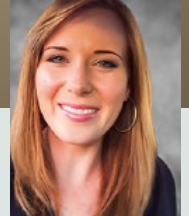
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BRAND NEW PROGRAMME

Started February 2020

With **Martin Rapley** and other expert property development panellists.

Hosted by **Michelle Cairns**



WHAT WILL YOU DISCOVER?

Here's a taster ...

The best development projects to start out with.

What properties have the best floor plan, scope for development and best opportunities to add value.

Inspirational case studies.

Investors will be sharing details of their deals – purchased and lease options – from 3 bed to 6 bed conversions, blocks of flats and commercial to residential.

Working with trades.

How to give yourself the best chance to work well with tradespeople. Set yourself up to win.

Finance and funding.

How can you fund your development projects? What are the potential tax savings? Working with JV partners

Easy ways to make add value in auctions properties.

What problems to look out for in auctions that you can solve with the right team.

As well as **creating a schedule of works, project managing, permitted development, planning gain** and lots, lots more!

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

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