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THE UP AND COMERS

Four new investors
who achieved success
within two years



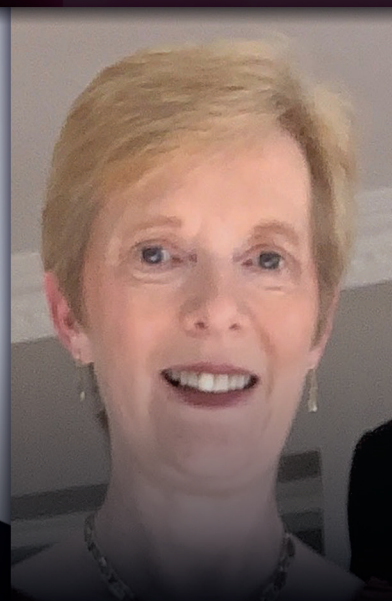
Scott
Williams



Evie
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Peter
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Joanna
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Julian Maurice – HMO Handbook Author & Property Refurbishment Guru ”

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After the sparkle and promise of the new year has started to wane, February feels a bit drab. It's still dark, it's still cold and there doesn't yet seem like there's a light at the end of the tunnel. (Apart from Dry January finally being over!)

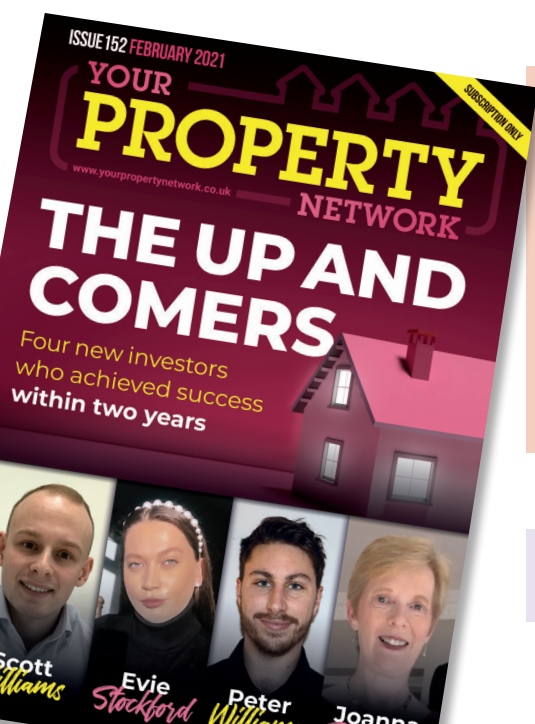
It was for these exact reasons that we decided to focus on some particularly inspiring stories this month.

Within the property industry, there always seem to be more and more people who have way more experience than we do. But lest we forget, everyone started somewhere. So when the YPN team sat down to plan this issue, our main criteria was to find people who had only been investing in property for a maximum of two years — thus still qualifying them as “new” to the community.

The four investors featured in our lead are incredible individuals who have achieved so much within that short time. They have utilised strategies such as rent-to-rent, HMOs, sourcing and flips, and each have overcome their own challenges.

We hope that you're as inspired by these up-and-comers as we are, and as always, we wish you the best on your own investment ventures!

Angharad and Raj



In this issue ...

FEATURES

- 5 Developing Multiple Streams of Property Income with **Scott Williams**
- 12 Financially Free at 22 with **Evie Stockford**
- 16 A Perfect Start with **Peter Williams**
- 21 New to Property — Again! with **Joanna Sainsbury**
- 26 Ant's **Rant**

INVESTING & LANDLORDS

- 29 Extensions **Mark Doyle**
- 34 How to Make Double the Average UK Salary From a Single Deal **Chris Peel**
- 39 Momentum Investing Part 4: How to Write the Perfect Schedule of Works **Jesse Fossey Taylor**
- 40 12-Month Goal Smashed in Just 5 Months **Mark Lloyd**
- 44 Are You Prepared to Say Yes When Others are Saying No? **Arsh Ellahi**
- 46 Ways to Buy Property: Part 4 **Rick Gannon**

INSPIRATION & LIFESTYLE

- 49 How to Stop Worrying **Rupal Patel**
- 50 12 Ways to Become Your Own Bank or Financial Broker **Richard Brown**
- 52 Crisis and Recovery Lead to a Lifestyle Evaluation with **Claire Sheehan**
- 56 Designed to Help Your Business Grow **Simon Clements**
- 59 Clubhouse - Are You In? **Michelle Cairns**

SPECIALIST COMMENT

- 61 The Buy to Let Market Overview **Chris Worthington**
- 62 Mortgage Update **Stuart Yardley**
- 65 Planning Changes in 2021 **Jon McDermott**
- 71 Construction Health and Safety **Graham Kinnear**
- 73 Rent-to-Rent: Know Who You Are Working With **Paul Shamplina**
- 74 Compare Like With Like **David Lawrenson**

- 76 Networking Events
- 79 Auctions
- 80 Jargon Buster

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DEVELOPING MULTIPLE STREAMS OF PROPERTY INCOME

STEP BY STEP FROM THE GROUND UP

Interview and words - **Raj Beri**

Working from the ground up, **Scott Williams** has learned by trial and error but kept a positive mindset and continued to develop. As a young person and fairly new to property, he has continued to explore which sectors of property he wants to be involved in. In this interview, he provides a candid account of the challenges he has faced with self-doubt and confidence, but how he has continued to develop multiple property businesses which should be an inspiration to all budding "newbies".

YPN: Tell us more about yourself and about the type of things you tried as you joined the ranks of the world of work.

Scott: Before I got into property, I went through school and then onto sixth form, the latter probably for the social side as a lot of my friends were going and I just tagged along. Unfortunately, I was expelled due to bad grades, so I decided to attend college and do BTEC Sport with aspirations to go to America through a scholarship. That never materialised but I did get to America on the Camp America scheme and it gave me a chance to think about my future. A lot of my college friends went on to university but I really wanted to earn money and experience real life.



On returning from America, I explored the government website to look for apprenticeship opportunities. During an interview for a property developer apprentice, I literally offered to work for free just to gain some experience and I was able to secure the job offer through applying my initiative. My mentality has always been to try and go that extra mile, which worked for me during my apprenticeship interview and has continued to work for me.

My first entry into property as an apprentice was complete luck but I am a big believer in creating one's own luck. I was fortunate in that my employer was only a few years older than me and mentored me on running a business, money management and property investing. Those early stages have been beneficial to my journey and have defined the way I have developed over the years.

I was mainly hired as cheap labour but the two business partners of the company fell out, so I had to step up to become a kind of site manager! I had no idea what I was doing but having been accelerated into the role, it was a case of sink or swim. Apart from supervising, my other roles were to keep the work progressing, so I did block work, brickwork, joinery and was a gofer. I did this role for around nine months but eventually got to a point where I wasn't really learning anything, the future outlook was bleak and the monetary reward at £3.30/hour was dismal. I was working very long hours for no extra pay and eventually started to feel undervalued, so left.

The whole period of being an apprentice was a strange one. On the one hand, I felt undervalued but on the other hand, I actually learned an incredible amount, and this has helped me during my property journey. The level of responsibility I was given has helped me to grow my confidence and develop much, much quicker having been thrown in at the deep end.



Due to the ongoing range of mixed emotions, it was really difficult for me to stay focused and on track as I had no gauge of whether my actions would lead to success. I would lie awake at night thinking: *"This is not working; I need to change career and perhaps just go back to a normal job?"* So, self-doubt was a constant companion. Thankfully, I have really supportive parents who were there to advise and support me and put things into perspective. I started to read a lot about mindset and about successful people and developed a belief that "if they can do it, so can I." My admission to reading is strange for someone who hardly read anything whilst at secondary school!

After I left the apprentice role, the only source of income I had was a sideline eBay business where I essentially sold items for other people and took 20% commission. The business wasn't riveting and self-doubt was creeping back once again, but reading *The Richest Man In Babylon* sparked the flame again. I started delivering leaflets promoting my eBay business and met someone on their driveway who turned out to have an incredible business as an Amazon reseller. He invited me into his office for a chat and that led to a job opportunity. That incident has been the biggest lesson in my life, ie you need to turn up and just do things (take action) because opportunities will arise. I worked as an assistant buyer for around six-seven months but it wasn't really for me as I enjoy interacting with people rather than being stuck in an office.

YPN: What reignited the interest in property?

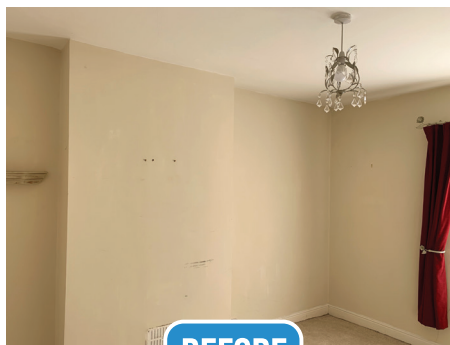
Scott: In my office job, all I ever talked about was *"the property market's doing this, the property market's doing that."* This made me realise that the property sector held the most interest for me and I managed to secure a job as a property lettings negotiator. The scope of the job was limited and I wanted to achieve so much more so almost immediately, I started looking at taking on a franchise business. I didn't pursue this route but learnt a lot about the whole franchise model which will be useful as one of our plans is to franchise our lettings business. The whole franchise episode was another lesson in that any skills you acquire today may prove useful later.

There have been pivotal times in my life where certain things have happened and that's been the driver for me to achieve my goals, which are to become financially free and create amazing businesses. A huge motivator for me has been seeing my parents go through rough periods, but then to put the work and effort in and develop successful businesses. I have lived through that process and it has helped me develop a hunger to be successful.

Case study **MARSH GREEN ROAD**

This was a flip project in Sandbach, Cheshire. This project was purchased into a Limited Company solely owned by the investor. We then had a deed of trust written up stating any uplift in value would be split 50/50 on the exit.

Purchase Price	£145,000
Refurb	£23,220
Costs	£7,463
Total costs	£175,683
Resale	£215,000
Profit	£39,317
Project duration	6 months





AFTER

My main driver for becoming a property investor was to create a passive income but let's put things into perspective and share the actions I took. Whilst I was working as an apprentice, I had bought a BMW which I absolutely loved. Firstly, I sold the BMW and bought a cheap run-around and then I started living really frugally to save as much money as possible. To earn even more money, I approached the letting agent to see if I could do any extra work eg gardening or maintenance. When nothing materialised, I used my savings to train as a Domestic Energy Assessor (DEA), doing EPCs which I continued to do until recently. The DEA role also taught me a huge amount about self-employment and about marketing myself and developing relationships in order to secure work.

At that time, I also reached out to my old boss who offered to pay me a finder's fee if I could locate decent properties for him. I decided to explore the property sourcing concept further and contacted the director of a local HMO letting agent on LinkedIn who I knew through networking – he suggested we meet up and this led to a full-time position. So, I ended up working full time Monday - Friday for the letting agent but continued working as a DEA. I also did gardening work **and** started running a photo booth on the weekends. That was pretty much my life for three-four months by which time I had had enough and wanted to explore how I could buy property.

At times, I felt that I was missing out but my philosophy has been to put the hard work in now so that later, I will have more time to spend with family and friends. Having said that, my progress hasn't come without tears, criticism, losing friends and lots of other sacrifices along the way.

For me, it's never been about making lots of money but more about the type of person you become in creating this wealth. I don't believe anyone can cheat the process as it takes time, education, and experience to make progress and I always say to people: *"It doesn't matter when you start, you just have to start."*

YPN: What gave you further encouragement to become a property investor?

Scott: The key moment for me was when I figured out that I didn't need my own money to invest in property and could do it via a JV or a loan. Without a concrete plan in place, I left my job with around £20,000 in savings which could support me for around 12 months. During that time, I started to do everything I could to generate opportunity and through networking, I met my (now) business partner Matt, who had already been successful in affiliate marketing.

Matt had started investing in property and had just bought a three-bedroom terrace property that he wanted to convert into an HMO. Obviously, I had a bit of HMO knowledge so ended up providing him free advice on what he could do with his purchase. That initial conversation started to develop and we ended up in partnership and the Amplo brand was born. Both of us knew our locality so it was easy to decide where to invest but we were undecided about the strategy(ies) we would deploy.

Somewhat unusually and perhaps thinking more like opportunists, we viewed many properties and made a lot of offers – our thinking was that if anything was accepted, we would then figure out what to do with the house. Our initial focus was to generate cashflow but only through small HMOs (mini-mos) as they would give us the best flexibility to convert back to BTLs if the need ever arose. Although we had confidence and I understood the property market, we were still novices in the whole property investing cycle from buying a good deal to the refurbishments.

I started looking for a suitable deal in January 2019 and securing the first one took six months. I think I must have viewed almost 100 properties and offered on 75 of them. Most offers were rejected but I built up brilliant relationships with the agents, and they all knew that Scott would be making ridiculous offers. As with most things, I got on really well with some agents and not so well with others. The benefit of this experience is that agents now call me if they think that a property will fit my criteria and I believe that if you are open with them and have integrity, relationships can be readily built.



Case study

RIGG STREET

This was a two bedroom house that was converted into a four-bed HMO, with 1 bathroom and separate WC.

Property Acquisition/Development

Purchase Price	£57,000
Mortgage/remortgage (Loan amount)	£39,900
Cash in	£17,100
Renovation	£34,765
Furnishing	£4,000
Buying costs (Ltd company)	£8,550
Planning cost	£300
Estimated end value	£110,000
New remortgage (75% LTV)	£82,500
Cash left in (after refinance)	£21,000

Rental Data

Monthly rental income	£1,325
Mortgage interest payments	3.59%
Monthly mortgage amount	£255.33
Monthly running costs (insurance, maintenance etc)	£416.11
Net monthly cashflow	£653.56
Gross yield (%)	14.45%
Net yield (%)	7.12%
Return on investment (ROI)	37%





After lots of viewings, we finally agreed to buy a three-bedroom terrace for £65,000. Had we not bought the property at a great price, we would have been in real trouble financially due to the problems we had with the builder. During this whole house hunting period, I was not earning money and to make matters worse, we failed miserably at our first refurb. We had no specification, no schedule and pretty much ended up just getting a builder's quote and hoping for the best. Most of the ensuing problems were our fault and we made a lot of mistakes, because we kept changing the specification and arguing about the cost with the builder. However, the reality is that without mistakes you're not going to learn, develop or grow. Personally, the only time that I've learnt and grown is when I've made mistakes but taken responsibility for them.

YPN: How have your property businesses evolved in the last few years?

Scott: Having learnt from our initial mistakes, we appreciated that we needed to improve but nevertheless, we started looking for deals and to approach investors. We were very transparent regarding the successes and failures we had had to that point and in this way, we built trust and managed to do two flips with separate investors.

The beauty of flips is that they're clean and straightforward with no long-term JV arrangements. The profits from the flips were reinvested into building our portfolio. One of the flips is probably my favourite because (a) it was a beautiful house which I could have lived in myself (emotional attachment) and (b) it was structured creatively and bought into the investor's company via a Deed of Trust. It was a probate property on the market for £185,000 and I made a typical Scott Williams offer of £145,000, which was accepted. It required a fairly light refurbishment and we sold it for £210K for a tidy profit.



AFTER



We will continue to do flips post-COVID because I do love that side of the business and doing deals with other people's money is pretty exciting. So far, the profits have been ploughed into purchasing long-term holds and we currently have three HMOs. However, one is being sold because we now have other businesses that are cash flowing and we want to build a more streamlined portfolio which is not overleveraged, so some of the mortgages will be switched to repayment.

I have always considered myself as an ideas man and I am always exploring ways to start a new business or grow the current business to increase profits. That's how our lettings business started. I have had first-hand experience in property lettings and have seen how letting agents operate. I knew there was opportunity to improve this sector but my hang-up was that I didn't really like any aspect of lettings. I didn't like managing tenants or managing properties. Thankfully, I reconnected with Zoe, who I have grown up with and in her I saw the same hunger and passion that I have, so I suggested that we should work together.

We decided that running a lettings business together made the most sense so as from January 2020, Amplo Lettings was born. We now manage around 68 units including HMO rooms and BTLs and it has grown to a size where we are now recruiting an apprentice. We are obviously entering a competitive space but our business is built on brand strength and efficiency through technology – no disrespect but much of our competition are dinosaurs.

Using strong input from Zoe, who is a whizz kid at technology, we are building a modern lettings business that attracts a certain clientele rather than the old-school landlord. Using technology for the lettings and having a good understanding of the property investment market also helps with the reach of our brand. We work a lot with London investors who want no hassle and just want to entrust their investment to a good property management agent based in Crewe.



TOP TIPS

1 Develop integrity and trust and build relationships with people on that basis by having a long-term view and always thinking ahead.

2 Always be a sponge for knowledge. Speak to people who are doing what you want to do because people in the property world love sharing. Get some education – in my case I wanted knowledge and accountability and networking, so I enrolled on a 12-month mentoring programme.

3 Be patient, keep going, trust the process and take action. If you combine tip 1 with tip 3, the opportunities are sure to follow.

YPN: Where are your businesses heading in the next few years?

Scott: We understood from an early stage that just investing in property wasn't likely to generate the sort of income we desired or build the type of businesses we wanted. We have always been looking for a service business and previously, we leased furniture for one of our HMOs. We felt that this type of business was

something we could set up and also felt that none of the potential competition was using modern/efficient approaches. In a way, it was the same type of blueprint we had already adopted for the lettings business.

We have been working very hard behind the scenes but Amplo Leasing (the furniture finance business) is growing very quickly through marketing, promotion and networking. Finally, bringing us right up to date, in November 2020 we went into business with our mortgage broker to form Amplo Commercial Finance. Obviously, he brings his expert financial knowledge to the table and we are providing support through marketing and business development.

Developing modern approaches to these businesses has been key, but I never forget that building people relationships is also paramount. We have a good mix in the team but even at 24, I am a bit old school (for someone who is a so-called millennial) as far as technology is concerned and I tend to focus on my strengths around building relationships.

CLICK HERE LISTEN TO
THE FULL INTERVIEW

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FINANCIALLY FREE AT 22

HOW ONE YOUNG WOMAN ACHIEVED IT

Interview and words: **Angharad Owen**

22-year-old Evie Stockford began investing in property when she was 19. Using the rent-to-rent strategy, she has built a portfolio of HMOs and SAs in Oxford — a challenging area for investors due to the high property prices — and now has a turnover of over six figures. Read on to find out her story and how she has overcome her own perceived limitations to become a successful businesswoman.



BEFORE PROPERTY

I always wanted to own my own business, but I never really knew what I wanted to do. When I was younger, I would put together business plans and present them to my parents, and at 17 I started a clothing line while I was still at college. To be honest, it wasn't well thought out and I soon realised it wasn't my passion, so it didn't last very long.

I had looked into other options, and liked the idea of BTLs but the thought of saving the capital was daunting. It would have taken a lot of time and hard work, especially at 19 when I wasn't being paid an amazing salary and my partner and I were saving for our first house at the time.

Although I hadn't explored property fully, my partner found Paul Preston's seminar advertised on Facebook. It was free, so we decided to go. On the seminar, I learned about rent-to-rent, having never heard of the



strategy before, and it all went from there. Three months later, in April 2018, I got my first deal.

"Looking back, it's weird how it all happened because it was quite out of character for me. It seemed that everything happened by accident but it all fitted together nicely."

PICKING A STRATEGY

Rent-to-rent was an attractive strategy because it didn't need a lot of capital to begin with. The only initial upfront costs were for a deposit and furniture, which wasn't nearly as much as I'd need for a mortgage deposit. I thought it was a good way to get in, make some good cash flow, to save money and eventually buy some BTLs. My main goal is to have a large portfolio in Oxford.

I started with rent-to-rent HMOs, because I thought they sounded a little easier than SA, and nowhere near as intimidating. I concentrated on them for the first year, and I then met someone at the Oxford pin who focused on rent-to-rent SA in Oxford. We connected and she gave me the confidence to move forward with SA, which I will forever be grateful for as this is now my favourite strategy. I only wish that I had started sooner.

Growing up in Oxford means that I know the city well. Although I now live in Dorset, my family still live there and I visit regularly. I'm able to do most of the day-to-day management from my phone, but I will do inspections and more of the physical work when I'm in the area.

MY FIRST DEAL

My first deal, which was a rent-to-rent HMO, was found via an estate agent. I had no references, no guarantors and no experience, and they thought I would be a huge risk to the landlord.

As a result, I had to pay six months' rent upfront as well as the deposit. This was my entire life savings! My partner and I had been saving for a house — I had saved almost everything I had earned since leaving college at 18.

Now that I have more knowledge and experience, I probably wouldn't go for this specific deal. But back then I was naive and I also had the courage and determination to succeed. I'm grateful that I did push through and it worked out well.



Case Study HOBSON ROAD NORTH OXFORD

This was my first rent-to-rent SA. It was an interesting and stressful experience, but I put it down to the fact that it was my first. I had done a lot of research about SA and met a lot of people who were also doing it, so I felt as though I knew what I was doing. But putting theory into practice is intimidating.

I took over the unfurnished three-bed property in the summer of 2019. Not only was it my first SA, but it was the first time I'd needed to furnish somewhere. Previously, my rent-to-rent HMOs were already furnished, so I'd only had to introduce small things like cushions and flowers. It was exciting to put my own stamp on it!

I ended up trying to sort out all the furniture within one week, and it got quite messy. I probably should have planned it a little better. It took a further two weeks to complete, and luckily, the landlord agreed to a rent-free period for that time, which took away a bit of the pressure.

Type of property	Semi-detached, three-bedroom house
Deposit and upfront costs	£10,000 on furniture. £2,125 deposit (Returned at the end of the tenancy)
Monthly payments agreed	£700pcm on rent
Funding method	Savings
Deposit paid	£2,125
Amount of funding	£12,125
Total money in	£12,215
Personal money in	£12,215
Duration of project	Took around 2 weeks to complete, we were given a two-week rent-free period to get the property set up

VALUATION & INCOME

Monthly income	Fully occupied at 100% occupancy rate = £4,500 net profit. Profit £2,400pcm
Monthly costs	Around £400 in bills, mostly taken up by the council tax. Totals: £2,100pcm
Net monthly cash flow	£4,500 take off bills and rental payments £2,400 if fully occupied at £150pn
% Return on money left in	Over a 3-year period at 100% occupancy this would be 613% with an annual of 204% Over a 3-year period at 70% occupancy this would be 212% with an annual of 70%

In total, I spent £10,000 on furniture. I really didn't need to do that at all, but I went a bit overboard because I was excited. I enjoyed the furnishing process, as I've always been quite interested in interiors. Also, arranging photoshoots and preparing the Airbnb adverts were new to me, and I wanted the property to look its best. It's still my favourite property.

Lessons: As I've secured more SA units, I've learned to plan the timings of deliveries better. If something is getting delivered, I'll make sure that I'm there. I also didn't need to spend as much as I did on furniture. While my other units may not look as nice, they perform just as well. But it was a learning curve and it's now something I know I don't need to do.

Case Study

SILVER GREYS HEADINGTON, OXFORD

Type of property	Detached, five-bedroom house
Upfront costs	Deposit only which was £2,937 (Returned at the end of the tenancy)
Monthly payments agreed	£2,350pcm on rent
Funding method	Savings
Deposit paid	£2,937
Amount of funding	£2,937
Total money in	£2,937
Personal money in	£2,937

Compared to what else is on the market in Oxford, this property really stood out. And because it was newly refurbished, I probably won't have to spend anything on the property for the duration of my tenancy. The rooms rented out so easily that there's hardly any management at all. It works well and it earns around £650 per month. Although it's not the biggest earner, it's a very steady income.

Lessons: I probably could have found better deals with cheaper rents, but I would have had to put a lot more effort, money and work into them. My return on the time I put into the property wouldn't be so great. Whereas for this property, I do the bare minimum and I'm still getting a good return. It's a balance I'm willing to compromise on.

This is a five-bed HMO in Oxford near to one of the main hospitals. As you can see from the numbers, the rent to the landlord is really high.

Rent is high in Oxford anyway, but this one is of a very good standard and the landlord could easily get a much higher rent than what I'm paying. I couldn't negotiate it down any further.

The property was newly refurbished before I took it on, and the rooms are beautiful so getting tenants was easy. I started advertising a week before I picked up the keys, and within that time I had five tenants who had paid deposits and were waiting to move in.

VALUATION & INCOME

Monthly income	Fully occupied £3,500 net profit. Profit £650pcm
If HMO, bills inc?	Yes, all bills are included. This includes: WIFI, Water, Gas, Electric, TV License, Council Tax and a bi-weekly clean
Monthly costs	Around £500 in bills and £2,350 in rent. Totals: £2,850pcm
Net monthly cash flow	£3,500 take off bills and rental payments £650 if fully occupied
% Return on money left in	Over a 3-year period with no voids this would be 697% with an annual of 232.03%

MY TYPICAL PROPERTY

For HMOs, I look for properties with between four and six bedrooms, with five or six bedrooms yielding the best profits. While some investors love to have more rooms, I don't tend to look at larger HMOs. I've found that tenants often don't want to share a house with a lot of other people, so four to six bedrooms is usually a happy medium.

SA units tend to have less of a structured criteria. I have a few one-beds and the biggest I have is a three-bed. I'd say that two or three-bed properties work best, because you can fit more people in. They often appeal to a larger audience and you can usually achieve a higher nightly rate.

I learned all this by speaking to other people who had done rent-to-rent HMOs and SA. Facebook groups and YouTube were beyond helpful! People were more than happy to share what had worked for them, what mistakes they had made and offered a lot of advice.

TENANTS

For my HMOs, I target young professionals. We have a lot of tenants who work for the NHS, as there are some quite big hospitals in Oxford. There is also a big BMW factory, where a lot of them work too.

I think I've been lucky with my tenants. Although most are older than me, I've never seen this as a problem. I try to portray a professional image in the way I come across on emails or speak on the phone, and I think that's helped to build our relationship.

Being young has helped on a more personal level as well. While I obviously have a professional side, I'm relatable because I'm close to their age. Tenants feel they can talk to me and that I'm approachable, compared to staff members in a large lettings agency. But I have made sure to maintain boundaries by not being too friendly or becoming someone they think they can manipulate because I'm younger than them.

I put that message out there and laid the ground rules from the beginning. From the start of their tenancies, I was clear on how the relationship would work and what they could expect from me and vice versa. Some tenants will try their luck when they first move in, but as long as you react in a professional manner, then you can create a good relationship.

Although I think it's worked in my favour, I still feel sometimes like I had to prove myself to them!





ACHIEVING MY FREEDOM

When I started doing rent-to-rent, I was working full time as a financial assistant. All my evenings and weekends were spent on property and building the business. I eventually transitioned to working three days a week, which meant I had two extra days to work on rent-to-rent. In November 2019, I was able to leave my job and I am officially in property full time. It's been great!

I have always wanted to work for myself rather than for somebody else. I was working on property alongside my job, and I knew for certain that I didn't want to carry on with that job forever. When I achieved my goal of becoming my own boss, it was amazing. I'm expanding and potentially moving into different areas of property investing. At the moment, I only have rent-to-rent, but I would like to look at BRR and BTLs. I feel as though I have more options now that I'm full time.

I don't think I'll ever give up doing rent-to-rent, but I want to diversify so I don't solely depend on this strategy. Going forward, if a good rent-to-rent opportunity were to arise, I'd definitely consider it, but I don't want to actively search for these deals as much as I have done.

COVID-19

My HMOs fared well throughout the pandemic, to be honest. We had a few tenants who were furloughed or made redundant and needed a payment plan to pay their rent, but it's not been a huge problem.

SA, however, was a bit more tricky. I usually focus on holiday lets, but I had to diversify and put in contractors and other people who needed short-term accommodation, like people between house moves. While I was still able to cover the costs, it meant that I wasn't able to make as much profit as I'd like. I'm very much looking forward to going back to normal!

BEING YOUNG AND IN PROPERTY

I've always felt like I was a bit different, in that unlike many other people my age, I just didn't want to go out partying or to weekend events. But property can be lonely, and sometimes I feel as if I'm missing out and that I have grown up too fast, as most people my age are still at university. However I have achieved everything I've ever wanted and I wouldn't change it for the world.

I've met other property people at networking meetings, and as a result, most of my friends are older than me. But we have the same interests and passions so have a lot in common.

CHALLENGES

Being young, I have felt that some people don't take me seriously. I've walked into meetings with landlords and estate agents who don't think that I own my company. They didn't understand what I wanted to do and some even laughed at me. I have to explain that I do have experience and will always provide examples of the properties I manage. It's been a big obstacle and I've found it quite difficult to prove myself in that way.

I used to struggle with confidence, and was quite shy before I started my business. I'm a completely different person today to who I was two years ago though. Taking one thing at a time and overcoming the small hurdles — like the first time I ever met a landlord, or the first time I had to explain what I wanted to do — has helped me overcome my shyness.

When I met a landlord for the first time, I wouldn't say I played it up, but I did pretend to be more confident than I was. Thankfully I already had one property under my belt, but I honed in on the things I had learned on Paul Preston's seminar and on YouTube videos. I had really researched the HMO licensing that Oxford required, so that knowledge was helpful too.



LEARNINGS AND ADVICE

The biggest lesson I had to learn was to be confident, and that I could do anything I put my mind to. I'm a strong believer in thinking that if you can do it, then you will do it and that you can achieve anything you mind to, no matter how big or small. And of course, having the determination to make sure you follow that through.

To anyone who is just starting out — just keep going. Do all the research you can, and utilise YouTube and Facebook by asking as many questions as you can. Don't be afraid of taking advantage of someone else's knowledge; they know what they're doing because they've done it before. There's no harm in asking.

Finally, keep putting in the time and effort if you want to be successful. Work on it over the weekends or in the evenings when you might be tired. Prioritising your business and what you want may not be easy, but it'll be worth it in the end.

LOOKING FORWARD

While it obviously all depends on the coronavirus situation, this year I hope to expand on the rent-to-rent SA side of the business. I have also met a landlord who is looking to give me a few HMOs on a rent-to-rent basis, so that will be exciting.

Plus, after moving into our own home last November, I am now fortunate enough to have enough capital for a BRR or a BTL. I've been speaking to a lot of mortgage advisors and brokers, and I'm starting to explore my options and understand what I can get for the amount I have saved. I'm just seeing what's out there!

Of course, I still need to do a lot more research, and I've been doing a lot of reading about it. I would like to meet people who have been there and done it so I can speak to them about their experiences, and might even see if there are any courses. I'm excited about starting to explore it and hopefully, I'll have one by the end of the year.



GET IN TOUCH

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A PERFECT START

BUILDING A BUSINESS FROM ENTRY LEVEL INVESTMENTS

Interview and words - **Jayne Owen**

Technically speaking Peter Williams does not quite fit the bill of "new" investor as defined within this feature. He's been in the property game for the best part of six years and started a sourcing and project management business with his business partner three years ago. Yet while he has accumulated stacks of experience he's still only in the early stages of investing in his own right.

What makes Peter's property story particularly interesting is that he's achieved all this by the age of 25. In my book, that's pretty good going. And because their sourcing business, Elite Property Sourcing, targets single family rental houses in the Welsh Valleys, their deals are a great example of entry level property investments that are perfect for new investors.

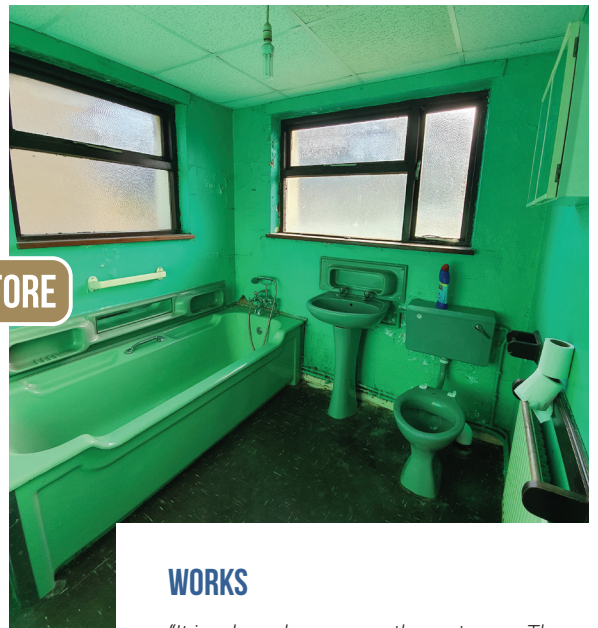
In this article, Peter talks through one of their recent investment deals sourced for an investor and also explains what motivated him to get involved in property at such an early age.

PARK ROAD, TREORCHY: *A case study*

Treorchy in Rhondda Cynon Taf is one of those places that is a good solid bread-and-butter rental area for investors and landlords. You can still buy houses at reasonable prices (although they are increasing) and there is plenty of demand for family homes to rent. Peter picks up the story ...



BEFORE



PURCHASE

"I found this end-of-terrace property on Rightmove, on the market with a local agent. It was purchased for and funded by an investor with whom I have a very good relationship. He has done multiple deals and projects with us before."

Purchase price (cash purchase):

£58,000

Open market value:

£65,000

Stamp duty:

£1,740

Legal costs:

£850

WORKS

"It is a large house over three storeys. There are three bedrooms on the top floor, a large lounge in the middle floor and kitchen and bathroom on the bottom floor."

On the surface, it didn't seem like the property needed that much work doing to it. It was structurally sound and the previous owners had installed a combi boiler three years earlier."

"However, it turned out that it needed to replastering throughout, all the windows and doors had to be replaced and a new bathroom and kitchen installed. The existing bathroom was an awful green colour – just have a look at the case study photos!"

"We did consider the possibility of installing a bathroom on the top floor but eventually decided against it. In this area of the Valleys, downstairs bathrooms are normal, and making one bedroom really small or losing it completely wouldn't have made financial sense.

"Being able to make a judgement call like this is one of the benefits from my time working as an estate agent. You get to know and understand the housing stock and people's expectations really well. You also build on the experience that you gain from working on previous projects. Putting a bathroom in upstairs wouldn't have given us back out what we put into it in financial terms, so instead we spent a bit more on making the house look really nice.

"For a refurb the costs were quite high, but being a large house it took a lot of materials and a lot of hours to paint, decorate and lay the flooring. And the kitchen is one of the nicest we've put in any house so far."

"Outside, we scraped back and repainted all the window reveals. The garden was also a lot of work – it was a jungle and you could barely stand up in it – and an asbestos shed had to be professionally removed. We flattened and overhauled the garden and it looks so much better now. The tenant and the investor are both over the moon.

Total build costs: £26,648

Total money in: £87,238

REVALUATION

"The biggest issue we had with this project was that it got caught up in the Covid-19 lockdown. Work started in January 2020 and fortunately we got most of the work done in the early weeks of the year. By the time we went into lockdown we were 85% complete but it did slow things down and pushed us back another two months. At least we didn't have to carry any finance costs.

"Despite that, this was a really good deal and I'm delighted with the revaluation figures. They exceeded our expectations, which was amazing."

Post works valuation: £120,000

Remortgage @ 75% LTV: £90,000

Mortgage rate: 3.59%

Money back out of deal: £2,762



MONTHLY RENTAL FIGURES

"The investor who bought the property could have sold it on and made a decent profit but his strategy is to buy and hold so he was perfectly happy to remortgage it and rent it out.

"As he got some money back out of the deal, you could say that he got paid to buy the house. If I could find one of these a month for myself I would be a very rich man!"

Rental income: £595

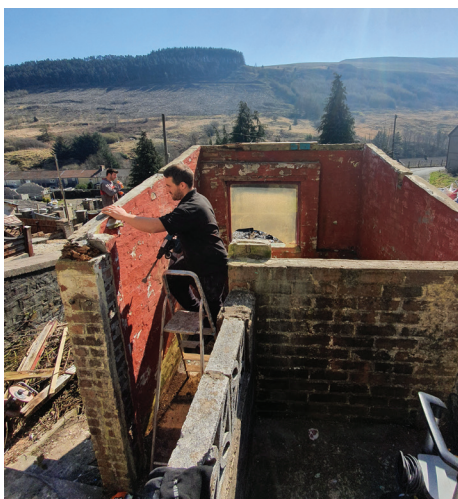
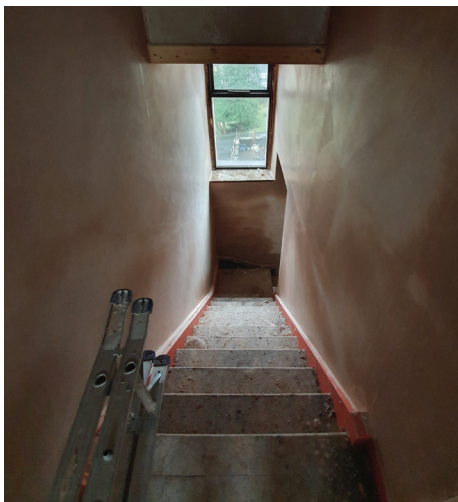
Mortgage payment: £269.25

Insurance: £15

Management fee @ 10%: £59.50

Net cash flow: £251.25

ROI: Unlimited



GETTING STARTED IN PROPERTY

Peter's property story starts in estate agency back in 2015. He was drawn to a career in this field because his father was a professional landlord and he was surrounded by property while growing up.

Working first as a sales negotiator before becoming a valuer, Peter's days in estate agency were to provide valuable experience. One of the most important things he learned was to exercise a degree of caution when considering a project. He saw that people with a construction background were better equipped to spot problems and less likely to bite off more than they could chew. He explains: *"If you don't recognise problems quickly and then buy a property that has big issues, that's where you can come undone. I learned early on that you needed to know what you were getting yourself into."*

While he didn't have construction experience to draw on, Peter had completed a three-year apprenticeship as a bench joiner immediately after leaving school. His knowledge of the tools was enough to enable him to spot what might need updating in a property and give potential buyers a very rough estimate of costs. This, he found, helped when it came to selling a property.

His role and experience as an estate agent ultimately led to a former colleague approaching him in 2018 with a proposal for starting a sourcing business. To Peter, this seemed like a no-brainer. *"We had seen so many people coming through our estate agency branch buying investment properties then renting them out with us and making a decent amount of money. We knew the formula worked. We just needed to get out there and start doing it."*

This proposal was the impetus he needed to make the move into starting his own business. He had a little money behind him after some successful side-hustle trading on the cryptocurrency markets, so the timing was ideal.



PROPERTY SOURCING

Before jumping in blindly however, Peter and his new business partner took the time to talk to investors at networking events to find out exactly what they wanted.

"We had our eye on properties in the Valleys because of their low asking prices and high rents. They offered a better yield than you could get in most places in the UK. Not only that, we saw that South Wales would be on the rise because of the plans to drop the Severn Bridge toll and because of the infrastructure projects in those areas."

When they showed people at the networking events examples of what was available, demand was unquestionable. Their sourcing business was born.

The next step was to match up a pipeline of properties with a list of people who wanted to buy. *"We started by identifying a few properties on Rightmove that looked like they needed some work. Then we would view and take photos, and I would price up the work based on my knowledge and on the experience of a contact from my apprenticeship days who had become a contractor with his own team. I often took him with me on viewings, and together we would compile an estimate for the work that needed to be done."*

"When we were confident of the purchase price, the refurb cost and how much it would rent for, we then knew exactly how much we would have to put in and how much we could get back out. From those figures, we were able to create an investment package. We took these packages to networking events in London and the South East and that's how we started to build our investor mailing list."



With some momentum behind them, they posted details of deals on their website and social media pages, and they continue to get three or four people per day joining the mailing list.

The question of *"which comes first – the deal or the investor?"* is a delicate balancing act for every sourcer. On reflection, Peter concludes: *"find the property first and the money will follow."* In his view, in finding the deal first, all you risk is your time – the property could be sold before you find an investor. *"However, if you find an investor first and say 'Yes, we'll go out and find you this deal' and you don't live up to their expectations, or it takes you months and months to find it, it doesn't do your relationship with that investor any good and you might lose them to a competitor."*

The deal packages they sold to investors also offered the buyer the option for Peter and his team to project-manage the works. This proved popular and a valuable solution for investors. *"Most of the time, the investors we were meeting were cash rich but time poor. They wanted these houses as investments and saw how good the deals were, but they just didn't have the time to do it or people in the area they could trust."*

BECOMING AN INVESTOR

When they started, as a way of proving the success of the model, Peter and his brother bought their first investment property themselves using the money gained through the cryptocurrency trading and used it as a showcase deal.

Since then, they have acquired six further BTL properties and have also done two flips to build capital. Peter describes it as a juggling match – funds are limited and when they are tied up in one house, they're not available to buy another. Going forward, their plan

is to add at least two BTLs to the portfolio each year, but they also want to continue the sourcing business – *"and the only way to do that is to get the properties and sell them on to investors and get paid the fee for that."*

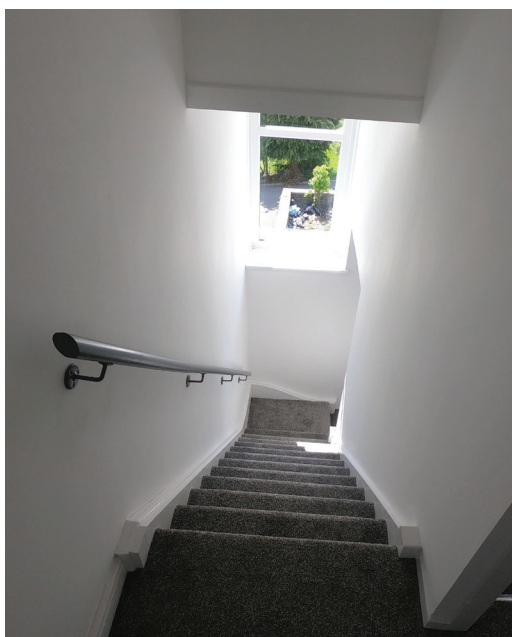
It's yet another matter of balance to factor in but for Peter, finding more property to keep and rent out is a goal for the next few months. And in the meantime, he plans to continue using his experience to project-manage refurbishments in investment properties for clients.



PLANNING AHEAD

Any form of planning is a challenge at the moment because no one really knows what is going to happen over the next year. Aside from the Covid-19 issue, Peter anticipates some uncertainty in the market after the stamp duty holiday and government support ends in March.

"I will keep an eye on the market and if a really good deal that I can't turn down comes along, I will probably go for it. At the end of the day property is property. It's bricks and mortar and difficult to go wrong unless you buy the wrong house in the first place."



BE A COMPLIANT SOURCER

If you plan to set up your own sourcing business, you must ...

- Register with the Information Commissioner's Office.
- Register your business with HMRC.
- Register with an ombudsman scheme – The Property Ombudsman or the Property Redress Scheme.
- Register for Anti Money Laundering Legislation.
- Take out professional indemnity and public liability insurances.

Peter also advises setting up the correct bank accounts at the beginning and if you are uncertain of your responsibilities, to seek professional help.

ADVICE FOR NEW PROPERTY STARTERS IN 2021

Be patient.

"Property investing has become more and more popular over the past three years since I've been sourcing property. That has increased competition and driven up prices but while it's not as easy to get an offer accepted at a price that works for you, it is still possible to find good deals. It just might take a bit longer."

Wait until the dust settles.

"I've mentioned uncertainty and there's a lot going on at the moment. If you're new and thinking of starting, it might be worth waiting until the dust settles so you can make more stable plans."

Establish good relationships with agents.

"One of the best ways to secure a deal is to have a good relationship with agents. It's not possible to have great relationships with every

single one – there are too many – so pick one or two and become their best friend! Send them a gift every time they send you a good property deal to show that you appreciate them."

Try marketing direct to vendor.

"This is expensive and takes time because from 1,000 adverts, three people might contact you and only one is serious. But it's a very good way of finding deals. Alternatively, you can seek out a sourcer who already does it and buy through them."

Collaboration is easier than competition.

"When you do go direct to vendor, aim to get to a point where the deal works for both of you. Again, that comes down to good relationships. Instead of trying to price somebody out of a house, it's better for both of you rather than neither of you to benefit."

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THE FULL INTERVIEW

NEW TO PROPERTY — AGAIN!

SECOND TIME AROUND + NEW APPROACH = HUGE GAINS FOR JOANNE SAINSBURY

Words - **Jayne Owen**

Being a property newbie once is tough. So you could be forgiven for thinking that someone who decides to start again with a clean slate 20 years later is either asking for trouble or just plain mad. Neither is true for **Joanne Sainsbury**, who last year leapt into property investing as a second starter after intensive training opened up possibilities beyond what she had previously imagined possible.

In 1999, Joanne bought two single let flats. After that, life got in the way of investing until she sold her retail business in 2019 and decided to put the proceeds into more property. It was a decision that took her down a route she had never anticipated and instead of resting on her laurels and winding down to retirement, she dived into a new property business. Joanne takes up the tale ...



NEWBIE FOR THE SECOND TIME

After selling the shop I took a break for a few months. I was still interested in investing in property though and had put an offer in on another BTL flat in Coventry.

Looking for inspiration, I took a trip to the Homebuilding and Renovating Show at the NEC. There I discovered YPN, signed up right away and also got a free copy of Property Magic.

I stayed up all night reading that book. The next day I called the agent and withdrew the offer on the Coventry flat. From reading the book, I immediately saw that my money could be put to better use than by buying another single let flat.

From there it all escalated quickly. I started going to pin meetings, did an HMO course and a few other ones, then attended the Mastermind Accelerator in October 2019. Going on to do the 12-month Mastermind programme was a huge decision because it was such a big financial commitment. My husband eventually persuaded me that it would be worthwhile and I started last April.

I have now adopted the HMO strategy and shifted my geographic focus to Redditch and Daventry. Leamington and Warwick are both too expensive but I am however contacting landlords there to hunt for PLO opportunities.

I've been in business for over 35 years but everything I am doing now is totally and utterly new to me. Over those years I have run two gift shops in Stratford-upon-Avon, a chain of restaurants and a petrol station yet despite the experience gained from all of that, I felt quite intimidated in property at first. I always seemed to be the oldest person in the room at any property event. I had fallen into the trap of thinking I was too old to do it but now I'm re-educating myself and it's exciting. It's proof that it's all in the mind and if you want to do something, age doesn't matter.

Transitioning into running a property business after years in retail has been straightforward, but there are important differences between this and what I was doing before. One of the things I've learned is how important it is to work with professionals who have specialist knowledge. I discovered this when the limited company structure I initially set up for the property business turned out to be incorrect and I had to dissolve it in the middle of a property purchase. I had acted on the advice of the accountant who had handled my retail business but it wasn't relevant for property.

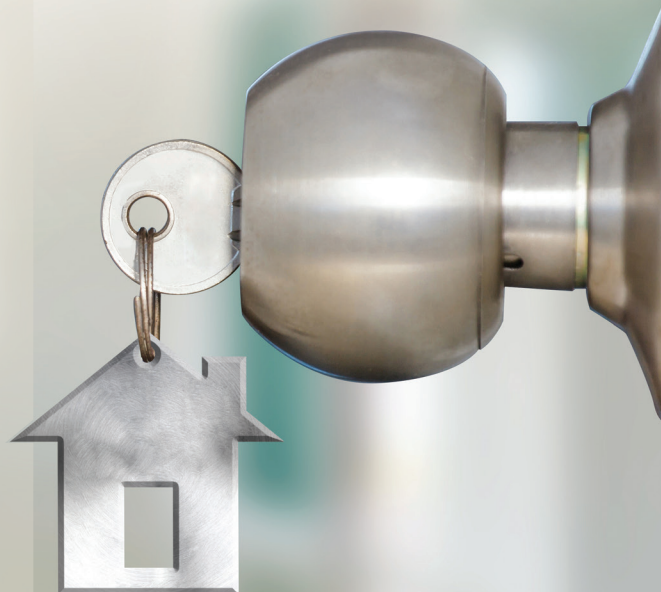
FIRST TIME AROUND

Compared to what I did 20 years ago, I've taken a very different approach to property investing this time around.

I bought the first two flats, in Leamington and Warwick, from the proceeds of fantastic success in selling Ty Beanie Baby toys. I'd had a very profitable two years and made enough money to put deposits down on these two flats, with enough left over to pay for private healthcare for my mother.

These are standard BTLs and I still own them today. In fact, I've recently managed to get an uplift in rent in one of them because of what I've learned over the past few months. Doing a complete refurbishment after a tenant moved out meant that we were able to get an extra £125 pm practically overnight.

After buying these flats however, life and circumstances took over and I focused on the retail business until I sold it in 2019. I did buy a property for my mother to live in but that was a heart decision rather than a financial one – it wasn't bought as an investment and was eventually sold on because she wasn't happy there.



I did a lot of research before deciding on an investment patch. I rejected Coventry, which is closer to me, because the HMO market seemed to be saturated. Redditch and Daventry both have plenty of industry and offices, good infrastructure and lots of blue-collar workers. The standard of existing HMOs wasn't brilliant and I felt there was scope to introduce a better product.

To secure deals, I'm using a combination of acquisition strategies including purchase, rent-to-rent and purchase lease options. I've also started working with a private investor who helps to fund projects on a loan basis.

My first HMO project (see case study) was finished by June last year and fully tenanted shortly afterwards. All tenants have to date continued to work throughout the Covid crisis.

REPURPOSING

One of the things we were taught in the early days of training was to look at any properties we already held to see if they could be repurposed. This prompted another project.

We owned a bungalow four miles outside Stratford-upon-Avon, which had previously belonged to my mother. We had rented it out as a single let for 10 years and now, looking at it with fresh eyes, I realised it would be perfect for serviced accommodation.

After doing a lot of due diligence and research, we found that there were plenty of one- and two-bedroom properties available in and around Stratford, but not many nice places with four bedrooms that could accommodate a larger group. The bungalow had three bedrooms so we decided to create a fourth at the same time as doing some major upgrade work.

We gave notice to the tenant. She was due to leave in March but then had to shield when the pandemic struck. She eventually left in July. It was a very stressful time because we could not be certain whether she would be able to leave or not and the builder was already booked. I had paid him a deposit but there was a high risk that we would lose our slot.

In the end, it all went to plan – we started work in July after she moved out and I ordered all the furniture.

LEARNING FROM CHALLENGES

However, I started to have second thoughts. The Covid situation was getting worse and worse and I worried that we wouldn't be able to let it after spending so much on it. The person who was going to be running it had stopped trading in the first lockdown so after a lot of deliberation, I decided to put the bungalow on the market for sale instead of letting it out.

That meant I had to cancel the furniture order, but I didn't want to take the risk of keeping the property. The alternative exit strategy, to let it out again as a single let, would not have yielded a good enough ROI after taking into account the cost of works.

Something I hadn't bargained for was having to spend £900 on getting gas installed. It seemed simple enough on paper as there was gas in the area and it should just have been a matter of getting the property connected to the mains. However, it took them ten days to find the gas pipe. The situation was quite farcical as they had to dig up the whole road. You really do learn an enormous amount as you encounter and solve problems.

The work was finished in October and we hope to sell it soon.

Mortgage:	£216,000
Works:	£75,000
Sale price:	£482,500

The works were funded by a private investor via a six-month loan. Once the property is sold, after paying her back we will still have a lump sum to invest in more HMOs.





INVESTING GOALS

My original objective for investing in property was to replace the income I'd had from the shop. With a better understanding of the potential, my husband and I have now adjusted the plan so that he can give up work in three years' time (but we are not telling his employers this ...).

I wouldn't describe the income as passive yet – I hate the term passive income, because it's not! My goal when I started was to build the portfolio over five years then to outsource the management either to an agent or through rent-to-rent by the end of that period. I'm one year in now and so far am right on track.

My objective for 2021 is crystal clear: by the end of the year I will have at least three more HMOs, each with four-six bedrooms. They will be in Redditch or Daventry. Ideally they won't need too much work, just repurposing from single family use to HMO. I have one in the pipeline already.

Having the five-year plan keeps me really focussed. I have two end goals. One, which is ongoing, is to create a legacy for our teenage daughter. The other is to build a house on a plot of land (to escape from said daughter!) that we have bought in the Azores at the end of the five-year period when the portfolio is under management and the income truly passive. I have no idea yet how much time we'll be able to spend there because of Brexit, but it's still a great motivation.

JOANNE'S TOP TIPS FOR STARTING IN PROPERTY

Get the right power team. I learned the hard way and ended up putting a purchase at risk because I'd had the wrong advice about the limited company ownership structure. It was the mortgage broker who spotted it. He told me that no lender would lend to this company, so I had to start again. This time I used a property tax specialist accountant who invests in property himself. Get the right professional advice from the outset.

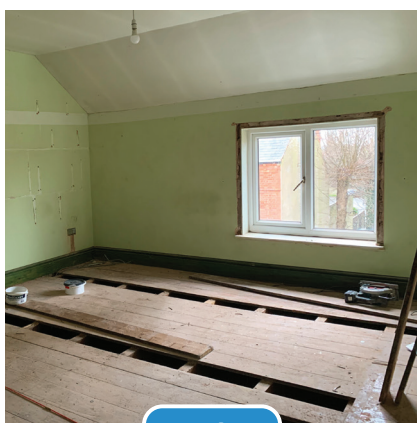
Believe in yourself. You really can do it if you believe in yourself. I know it's a cliché but getting the property education made a huge difference to what I believed I could do. Without it, I wouldn't have had the confidence to tackle so much and wouldn't have achieved what I have done over the past year.

Your network is your net worth. That's another cliché but it's so true. Surrounding yourself with the right professionals and knowledgeable people and taking advice from them makes a world of difference.



Case study

THE OLD BAKERY



BEFORE



PURCHASE AND FUNDING

This was a three-storey four-bedroom house built circa 1900 that was originally, as the name implies, an old bakery. I got it through an estate agent who called me to let me know it had gone on the market. I went straight around to see it and made an offer which was accepted by the end of the day.

It was in a terrible condition when I bought it. The previous owners had been there for 40 years and never done any work on it. They'd had lots of cats and dogs, and there was mess and faeces everywhere. It was the dirtiest, most disgusting property you've ever seen. Even the builder refused to let his team in there until we'd had it professionally cleaned and fumigated.

However, I saw that we could turn the house into a lovely five-bed HMO with spacious rooms and an open plan kitchen/diner.

Purchase price: £156,000

Deposit (30%): £51,800

I used my own funds, the proceeds of selling the shop, for the deposit and a bridge-to-let mortgage product from Precise Mortgages to fund the renovation. To get this approved, the valuer needed to see the plans and schedule of works and understand what we were planning to do with the property. From this, he calculated the post works valuation figure.

The bridging element of the loan was arranged for six months. I had hoped I'd only need it for three, and the project was in fact finished after three months despite lockdown. However, the surveyors were not working so I had to wait for the final valuation. That meant paying for another month on the bridge. It was frustrating. My initial inclination was to fight it, but I decided in the end that it wouldn't be worth the time or energy it would take to do so.

Bridging mortgage: £104,000

Bridging rate pm: 0.75%

Total bridging costs (approx): £7,000

Post works valuation: £190,000

Mortgage rate, 2-year fixed: 3.04%



GRANT

I wasn't particularly happy with the end valuation, but there was no point in arguing about it. It was my first one, which is not necessarily going to be your best one, but in fairness it has worked out really well, especially as I got an HMO lifetime grant from the council.

HMO Lifetime grant £5,900

Getting the grant took ages – I really had to fight for it. Stickability is an essential quality in this business. It's specific to Redditch Borough Council and can be used for things like a new boiler and radiators, electrics or fire safety. I used it for electrics as the whole property had to be rewired.

WORKS

Because of the lower-than-expected end value, I scaled back on the refurbishment costs as much as I could. LNPG were instrumental for supplies and I got the kitchen for a really good price.

Kitchen & fitting: £5,000

Main building work fire compliance etc: £11,100

Full rewire: £8,000

3 shower rooms: £9,000

Plumbing / heating: £6,000

Flooring: £3,500

Painting and décor: £4,400

Total refurb costs (inc other miscellaneous items): £47,000





BOUNDARY ISSUE

The project has been straightforward but the property itself has some complexities, which is no so unusual with older properties. It has a flying freehold with the upstairs of the next-door property going over our ground floor bathroom. I also saw on day one that there was a boundary issue, as the neighbours have built a fence that encroaches one metre over our land.

I got hold of the title deeds from the land registry. These evidenced that the fence was in the wrong place so I tried to sort it out. I highlighted the issue to both my own and the seller's solicitor, and spoke to the people next door.

Nobody, however, did anything about it, and not even the mortgage company were interested. As we got closer to exchange I became more and more stressed about it. But then I thought, "well if no one else is bothering, why am I?" So I went ahead and completed despite the issue because I came to the conclusion that it was not a problem for me. I'm not going to live there and I will be keeping it for the long term. But it will be a problem for the owners of the property next door when they sell.

It was a lesson in managing only what's under your own control. I tend to get frustrated when things are out of my control but over the years I have learned to pick my battles.



GAS METER

Another challenge was having to get the gas meter moved. We were creating a bedroom where it was originally sited and I debated for a while whether it could stay where it was. However, given that the meter-reader would need access to someone's bedroom, I could see that would lead to hassle and disruption. In the interests of being a good landlord, I got it moved outside.

It was a £600 cost that I hadn't anticipated, plus additional work for the builder in having to drill through a thick wall. This all happened during the lockdown period as well, so did cause a slight delay. It's annoying, just one of those niggly things that happen, but completely understandable during this terrible pandemic.

RENTAL

It's been rented out now for six months. Regardless of the valuation it has been a great deal and generates good monthly cash flow.

Rental income (pm):	£2,340
Mortgage:	£366
Bills:	£410
Furniture hire:	£217
Net cash flow:	£1,347

For now, I'm tenanting and managing the property myself. I used the Go Tenant! product and marketed the rooms on all the platforms including Openrent, Spareroom and Facebook.

I'm a great believer, perhaps because I've been in business for so long, in learning how to do things myself before handing the process over to someone else. It means that I understand what's involved and know whether I'm being too harsh or otherwise on my agent.

Not everyone agrees with this approach and people are often encouraged to outsource from day one. But it works for me. The other thing I've done myself is all the decorating. Why? Because I enjoy it! The family came in and helped and The Old Bakery was in fact a real family affair. It's all very well systemising and streamlining but we have to do things for enjoyment too.



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You can listen to Joanne speaking about her experiences on **Your Property Podcast episode 61**.

ISN'T IT'S GROUNDHOG DAY!

'I'll start off this rant by saying I consider myself extremely fortunate. Neither I nor my family members are ill – we have our health and are therefore far more fortunate than many others. This pandemic has been brutal; few days go by when I don't read on social media that one of my friends has lost a loved one. My condolences and thoughts go out to you.

For the purposes of this rant I would like to speak to those who are like myself – fortunate that one of the main challenges of the current phase of this lockdown is extreme boredom.

Any fans of The Smiths out there? Remember the lyrics "everyday is like Sunday, everyday is silent and grey" – ain't that the truth!

The weather is bloody miserable and we are all stuck at home staring at the same walls. It really is Groundhog Day – each day the same as before. I spend my days on Zoom calls and staring at the computer screen. Monday-Friday are spent waiting for the weekend to come ... and at the weekend there is even less to do and I find myself looking forward to the return of the working week.

It's now been over a year since I last saw many of the team I work with at YPN, and I have business partners that I realised shockingly I did not see in the flesh during the whole of 2020. Mrs Ant and I are watching a boxset so even the TV we watch in an evening is indistinguishable from the evening before.

The tedium is occasionally broken by the excitement of finding out a tenant is not paying and is refusing to communicate with the agent, or that a boiler has gone wrong. Last week was tremendously exciting – I had a filling fall out and had to visit the dentist, and I found myself wondering what I should wear!

Everybody I speak to just says the same thing ... "boring, isn't it?!" The hours drag and the days roll into one. Last week I genuinely could not

remember what day it was. I rolled out of bed, walked the dogs (thank goodness for the dogs) and called my business partner for our daily catch up. He proceeded to tell me it was Sunday, (we never speak on Sunday as that's our family day), and I honestly had no clue – it could have been any day at all.

"I really do think it's driving me a bit mad. I'm furiously getting the kids to do their trumpet practice with me and making them do workouts at the end of a school day – the time when I would normally be in a CrossFit class. I find myself pouring over holidays that I dare not book not knowing if we will ever be able to go on them."

It's all so frustrating not being able to make any plans – and even more frustrating not knowing at what point the powers that be might deem the level of infections and deaths to be at an "acceptable level" for things to gradually return to some form of normality. I obsess over the daily vaccination statistics

fully aware I can in no way translate this as to what this means as to when we can come out of this reluctant hibernation.

I've definitely lost my zeal and zest for life. All the things I like to do I can no longer do ... can't go away, can't spend time with friends, can't go out for a meal, can't see brother and aunties and cousins. Can't really do a lot. And it's tipping down so I can't even hang out in the garden.

And I know I am not alone in feeling like this. The very best we can expect from this pandemic is a boat-load of boredom. Others would very much wish they could say the same – that the worst they experienced was this crushing dullness.

So I'm going to be positive. I am one of the very, very lucky ones. And I'm going to look forward and past the current situation. On a personal note, we are making lists of the places we want to visit when that is possible again, the friends we will see and what we will do.

From a business perspective things have not ground to a halt at all. In many ways we are busier than ever – and so I'm focusing on projects that I can see a genuine result from in the short to medium term. We are doing virtual viewings on commercial buildings to convert to residential, we are working to improve the YPN App and in our gym business we are looking at new sites and possible acquisitions to grow our portfolio.

Things really are not all bad. But I need to give myself a kick up the backside to remind myself of this fact. It's very easy to wallow and to think "woe is me." I'm sure there will be thousands of YPN readers who are experiencing similar feelings of ennui to me, and I hope that by reading this you realise you are not alone. We genuinely are in this together and this **WILL** pass. We **WILL** meet again – and I for one cannot bloody wait!

Ant



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INVESTMENT	£280,000
GROSS YIELD	12%
ANNUAL RENT	£20,000
HPI Growth (5 Yrs)	16,7%

FULL DETAILS

COMING SOON




FULLY LET INCREDIBLE 6 DOUBLE ENSUITE BEDROOM
King Road, Doncaster, DN1

8 beds 8 bathrooms 8 people

INVESTMENT	£280,000
GROSS YIELD	12%
ANNUAL RENT	£20,000
HPI Growth (5 Yrs)	16,7%

COMING SOON

UNDER OFFER



UNREAL 6 BED PROFESSIONAL HMO PROPERTY
King Road, Doncaster, DN1

8 beds 8 bathrooms 8 people

INVESTMENT	£280,000
GROSS YIELD	12%
ANNUAL RENT	£20,000
HPI Growth (5 Yrs)	16,7%

FULL DETAILS

FOR SALE



EPIC 5 BED ALL ENSUITE HMO LONDON
King Road, Doncaster, DN1

8 beds 8 bathrooms 8 people

INVESTMENT	£280,000
GROSS YIELD	12%
ANNUAL RENT	£20,000
HPI Growth (5 Yrs)	16,7%

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EXTENSIONS



By Mark Doyle

Many people want to extend a property and it can be a relatively straightforward task, but it can also be made much more complex whether by accident or design.

The creative design and scale of an extension is only restricted by the available budget and ambition. The catch here is that if you overdevelop or overspend, you'll exceed the ceiling price for the area, and then you're simply throwing money away.

This article attempts to give a brief introduction, some pointers and a starting point if you're thinking of doing an extension and wondering where to start.

WHAT DOES AN EXTENSION COST?

Without being too political, it all depends which part of the country your property is in whether it's in a high-value area or elsewhere. It comes down to the cost of labour, as the cost of materials is more stable and you can always order online and ship from a distance.

A simple single-storey extension will typically cost between £1,000m² - £2,000m².

WHERE DO YOU START?

Probably the best place to begin would be to determine the ceiling value for property in your area, and even on an individual road. Look for those with completed extensions to obtain a full value. Once you have an idea of the likely completed value of the property, you need to work out what you think it's worth in its current condition and then determine how much it will cost for you to build your extension.

Adding square meterage increases the value of a property!

Obviously, if you measure the wall and ground area of the property where you want to build the extension, you can determine the floor area of the proposed extension and get a rough indication of the cost. However, do you need to submit for planning permission, or can you utilise permitted rights? If you do a quick search online the permitted development rights are easily found. However, with reference to the link to the right, it's no surprise that most extensions would utilise the full width across the rear of a property and extend outward some four to six metres.



DO YOU NEED PLANNING PERMISSION FOR AN EXTENSION?

Most property investors have heard of permitted development rights, but there are limitations to many of them. So in this case, and specifically for extensions, a previously extended property may not qualify, or a property older than 1948, and so on. Permitted rights for planning were originally introduced specifically with property extensions in mind and **some** of these 'rights' are covered below:

- A single-storey rear extension can extend outward by 8m for a detached house and by 6m for a semi or terraced property.
- A double-height extension can extend outward by up to 3m but must not be closer than 7m to the rear boundary.
- A side extension must take up less than 50% of the width of the original property.
- The building materials proposed must be like the existing property.
- The proposed extension must take up less than 50% of the size of the land around the original property.
- The proposed single-storey extension must be less than 4m in height (or less than 3m high if within 2m of the property boundary) and can't be higher than the existing property.

For a Brief Extension Permitted Development Rights, please visit:
https://www.planningportal.co.uk/info/200130/common_projects/17/extensions

Just because you think your extension qualifies under the rules for permitted development rights, it doesn't mean it does as there are several exceptions to the rules, so double check! Speak with your council's planning department and see if they want you to utilise the Prior Approval process and clarify the fee, although at present it's around £100.



Front view — 6-bed all en-suite HMO

HOW TO OPTIMISE YOUR SPEND AND MINIMISE YOUR COSTS

If you're like most investors and want to optimise your project, adding square meterage is what increases the value of a property. So, an obvious tip to keep costs under control is to keep your extension simple — make it square or rectangle, with a flat or gradually sloping roof and utilise commonly available materials, such as an inner cavity wall of concrete block.

Case Study

Simple 12sqm extension to create a small lounge for an HMO in Salford.

This is probably the cheapest and most basic extension with simple excavated strip footings, a brick cavity wall, an insulated concrete floor slab, a pitched roof and two concrete lintels placed in the external wall — firstly, to create the opening into the extension and secondly for a new rear door. This room was large enough to have a wall-mounted flat screen TV, a chair and sofa and it satisfied the HMO officer to license the property.

The Numbers

Purchase price:	£120,000
Conversion:	£60,000
Extension cost:	£10,000
RICS GDV:	£190,000
Left in the deal:	£52,000
Mortgage:	£720 pcm
Gross rent:	£3,160 pcm
Net rent:	£1,530 pcm or £18,360 pa
ROI:	35%



Opening to small new lounge

WHOSE HELP DO I NEED?

Your project team for an extension needs to include a builder and/or various trades, a structural engineer and someone to produce your drawing for building regulations (unless you're keen and competent yourself!). However, if you are using a large multi-national for a lightweight 'conservatory-type' extension or a competent builder, they will no doubt have the other skills package included as part of their service!



The smallest rear extension!?



Small extension HMO lounge

WHAT ABOUT CONSERVATORIES AND SIMILAR ADDITIONS?

is how they are viewed by valuation surveyors, underwriters and the mortgage industry. Firstly, yes, they are recorded on valuation survey reports but unless they are substantial and provide a truly temperature-controlled space, rarely do they add any value over the construction cost to the property. Secondly, the refinance industry usually records the property as 'coming with a conservatory or lightweight building', hardly recording it as a benefit. Ironically a well-constructed 'garden building or office' will be better received and is more likely to add value being sold with (for example) a garden office! Throughout the UK, the finance industry has a positive bias towards traditional older building construction techniques of bricks and mortar over for example lightweight panels (eg SIPS).

Unless your project is extremely simple, you will need an architect or someone capable of drawing your construction drawings to include building regulations details. From these drawings your building inspector or the council building control officer will determine what works they need to view prior to completion of the works and to award you a completion certificate. You will also need this paperwork to refinance or sell the property.

All lightweight construction extensions add floorspace and they can be cost-effective to improve a property. The real issue however,

WHAT ISSUES WILL NEED CONSIDERATION?

Any brick construction will need foundations, and although it's preferable to avoid buried structures, drains (for example) often run around the rear/side of a property and they may be in the way. If this is the case, you would need to fit new manholes and reroute the drains around your foundations. These works will need to be inspected by your building inspector.

Similarly, your ground conditions may comprise clay (like London and the South East), which is capable of shrinking and swelling which can cause structural

movement. Ground conditions of variable sand and gravel layers may need piled foundations extending to a greater depth. Equally, you may have substantial tree roots or even old, buried watercourses, any such issues you will need to resolve to the satisfaction of your building inspector, such as extending your foundations down to a lower level.

When you break through the external wall of your property, you will need a pair of steel I-beams to support the original cavity wall. This will need a structural engineer to calculate the dimensions of the steels themselves and, perhaps more importantly, the bearing area, carrying the weight and sitting on the padstones on either side.

WHAT ABOUT BIGGER AND BETTER EXTENSIONS?

The larger the project the more you will spend, and even in areas where labour costs are reasonable you can expect to spend £60,000 to £100,000. For this investment, you need to make sure the project has a clear exit, such as either keeping the property for your home or perhaps a flip as it's unlikely to work as a rental property.

Obviously, the cost of the works is relative to the ceiling value!

THE 5 STAGES OF AN EXTENSION

- 1 **Setting up your site**
- 2 **Demolition, ground and drainage works**
- 3 **The build, structure, roofing, external works**
- 4 **Services and 1st fix**
- 5 **Internal fit out, 2nd fix and finishes**

Case Study

A 30sqm extension to create a new kitchen/diner. Preston, Lancs

This property was in an excellent location (in a flood plain), and to optimise the location it needed a larger extension. The challenge was that it was sited between a river and a stream, and required full planning permission. Due to the ground conditions, piled foundations were driven to refusal (approximately six metres' depth) and a reinforced ring beam was poured on top to allow traditional block and brick construction to commence. Two large steel I-beams span the opening on top of a pair of steel columns to allow the opening to be as large as possible. The fit out was modern with a high-quality finish and a top end technology Wi-Fi controlled specification.

The Numbers

- **Property already owned**
- **£100,000 Refurb & Extension**
- **£325,000 GDV**



CAN YOU SAVE MONEY ON AN EXTENSION?

The more work you bring others in to do for you, the more you will spend. Some professions and trades can't be avoided, but if you're budget conscious aim to do as much work as you can yourself. Some of the duties are obvious such as labouring, site tidying, fetching, unloading and of course, cleaning. You could probably also build flat-pack furniture, protect surfaces, painting, fix curtains, do landscaping and planting, and that's without assuming you could do plumbing, electrics or joinery. Every day you spend working on site will save you £150-£200 in labour costs!

If you want to add some character or a touch of design flair, recycling yards exist across the UK. So, could you get some reclaimed materials, such as floor slab fill material, lintels or even steel I-beams, stone slabs, re-use old Welsh slate or even folding sliding doors (from as low as £100 in good second-hand condition versus new at say, £3,000)?

If you're employing a builder to do most of the work for you, agree a fixed price for as

much of the work as you can. You can ask your architect for assistance with this or you can agree a full written list of the works with your builder and sign off on this and this will count as a legal agreement between the two of you. If you're not sure what needs to be on this list (or specification), ask someone more experienced than you, or go onto Facebook or the forums for input.

If you've read this article and believe that you're capable of saving money by project managing the extension yourself and employing sub-contractors, realise that lots of others before you have done the same successfully. You will need to put together a project schedule, work out your timeline for the works, be able to source the materials and arrange for timely delivery to site. You'll also need to be able to communicate face-to-face

with tradesmen, learning their terminology and telling them what you want. But don't let this put you off, as most tradesmen understand that people don't really understand what they do! And if they're not nice people to be around, then they're probably the wrong people to have on your project.

Perhaps most importantly, don't vary the works once you start on site, as these changes or 'variations' will add significant sums to the cost.



TIPS FOR BUILDING AN EXTENSION

- 1 Use several free extension cost calculators
- 2 Get building regulations drawings completed
- 3 Plan out your project in detail
- 4 Get multiple builders and/or trade quotes
- 5 Never vary what you want after you've started on site!

BE SENSIBLE!

Ultimately, only you will know what you want to achieve from a property project. But as can be seen from the case studies above, when done correctly, extensions can add value to a variety of projects. You always learn as you go so if you take good advice: **'measure twice and cut once.'** Knowing others can do it, so why can't it work for you as well?

CONTACT

Mark is happy to chat with anyone that may need some assistance and can be contacted on **07973 971530** and at **mcdoyale39@gmail.com**



Case Study

A 50sqm extension across ground and first floors was constructed for a new kitchen/diner with a new master en-suite bedroom above. Southport, Merseyside.

This detached 3-bedroom country cottage was in an excellent high-value location and perfect for extension to become a 4-bed house for a flip.

The Numbers

Purchase price:	£245,000
Refurb and extension:	£130,000
GDV:	£480,000

Side view of new two-story extension



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HOW TO MAKE DOUBLE THE AVERAGE UK SALARY FROM A SINGLE DEAL

THAT YOU DON'T HAVE TO OWN ... OR PAY FOR

CHRIS PEEL



at their office so they could “*prepare us before we went there.*” This sentence raised a red flag for me to start with! Prepare us for what exactly!?

Sometimes you do a deal that becomes a total game changer for your property business and makes you think bigger. When it happens, there's no going back. From that point on, you can't get as excited by smaller deals.

It's a bit like when you're at the pool watching people jump off the three-metre diving board, and you think, *wow I could never jump off that - it's way too big and scary.* But one day, you finally summon the courage to stretch yourself and what you believe you're capable of doing. Slowly, shakily you climb the steps to the three-metre board. You get to the top and look down and instantly think you've made a mistake! It's too late by then, because someone's climbing up the ladder behind you, and people have noticed you standing, about to jump and are now watching you. You're not gonna back down now are you, chicken!?

So with a gut-wrenching feeling, you jump! Splash! You go under the water and it takes what feels like forever to resurface, but you do and guess what? Not only have you survived, but you feel **AMAZING!** After the thrill of that, there's no excitement for the one-metre diving board anymore. You're a three-metre jumper now!

This deal was our three-metre board that changed our perception of scale. Now don't get me wrong, this isn't a brag article, because there's also a five-metre board and a 10-metre board. In fact the record for high diving is currently 58.8 meters, so there's still more to do and we know that we're by no means at the top yet.

But what this is, is a story of how you can start to think bigger in your own business.

THE OPPORTUNITY

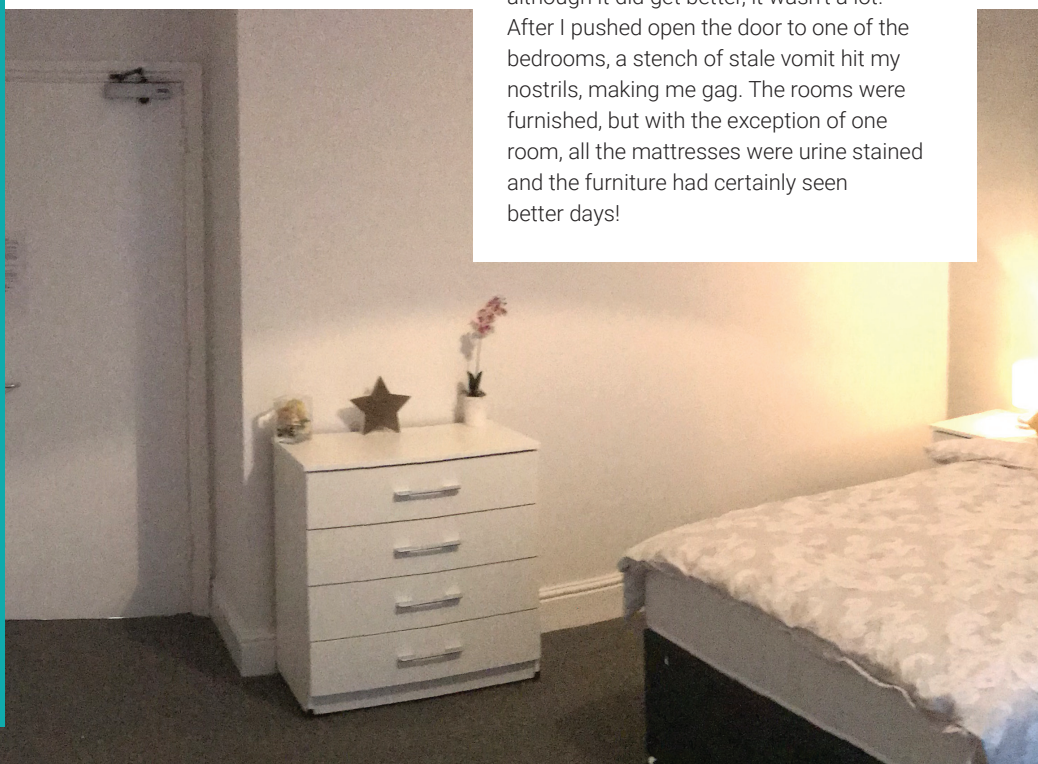
As with any bigger deal, the challenges that my business partner, Toby, and I had to overcome to get this deal done were also bigger. The property in question (when we found it) was a four-storey building in the centre of Bedford. It had a tenanted retail unit on the ground floor, and three five-bedroom apartments one above the other with a communal stairwell to get to each.

We had the opportunity presented to us thanks to a good relationship we'd built with an agent in the area. We had worked with them before and always stayed close since we did a couple of single-unit rent-to-rent deals earlier in our career. They wanted to show us around, but suggested meeting

We met at their office and the agent explained to us that the place had a lot of “*potential*” — a word often used by agents to describe total dumps! She explained that it had previously been rented by a charity who were paying top dollar to the landlord to allow them to house people with addictions. They were supposed to be maintaining the place, but the work had got away from them a bit and they'd had to walk away leaving the owner with a problem.

Prepared for whatever we were about to see, we walked to the property and we were not disappointed! The place had tonnes of “*potential*” ... starting with a human poo waiting for us on the front door step, followed closely by used needles scattered around the front door.

Trying to see past this terrible first impression, we headed upstairs and although it did get better, it wasn't a lot! After I pushed open the door to one of the bedrooms, a stench of stale vomit hit my nostrils, making me gag. The rooms were furnished, but with the exception of one room, all the mattresses were urine stained and the furniture had certainly seen better days!



Heading to one of the bathrooms my hopes didn't get much higher. And sure enough as I entered the room, the whole place stank of damp. As I trod on the lino, my whole foot sank into the floor. We lifted the lino and found completely rotten floorboards to go with the catalogue of delights this place had to offer.

Throughout all the apartments, there were holes punched in doors, God knows what smeared on the walls and key marks all over the place where people had taken their frustrations out on the plasterwork.

At the time of writing this, I've almost capped off my 100th property deal, so I'm not afraid of a property that looks like a crack den. I have certainly seen my fair share of sights, but this place was by far the worst I'd been in. But the expression **"where there's muck there's brass"** is as true now as when it was first spoken, so we put on our business heads to see what we could do with the place.

Thankfully, the kitchen and bathroom units (save for the rotten floorboard) were actually in an okay condition. We figured out that to do a good job of the place, we'd need to rip out all the carpet tiles and replace all lino in the kitchens and bathrooms, burn all the furniture, replace the broken floorboards and redecorate the place top to bottom

with new furniture in all rooms. We also realised that we would be able to convert the living rooms into additional bedrooms, turning three five-bedroom apartments into three six-bedroom HMOs.

Sitting down and calculating our investment, we worked out we were going to need close to £40,000 to do all the work we wanted to do. Our initial thoughts were: **"Wow that's a lot for a property we're only renting, so probably not worth going any further!"** Things didn't get better when we spoke to the agent to ask the price the landlord wanted ...

THE NEGOTIATION

We'd assumed that because of the state of the place, we'd be getting it for a total steal, but our expectations were way off!

"What are their expectations?" I asked the agent over the phone.

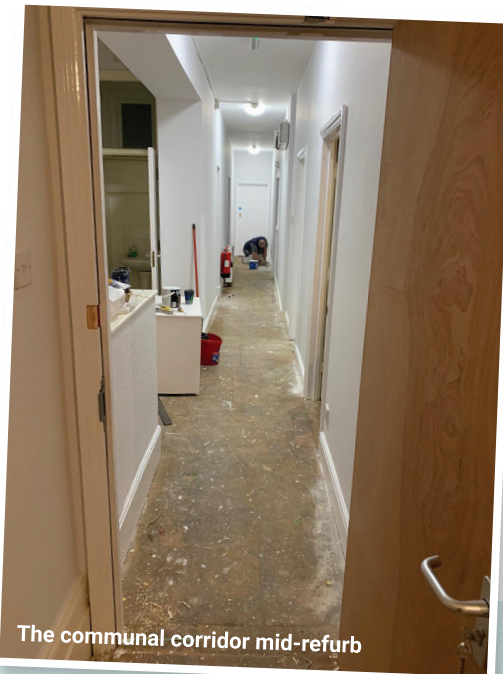
"They're prepared to negotiate, but really they want £5,500pcm for the place."

Silence.

"Seriously?" I pressed.

"Yes, that's what the landlord had been receiving from the charity that had it before. They were paying him £366 per room and he wants something similar."

"I'll have to get back to you," I said, confident that this was some sort of joke and there



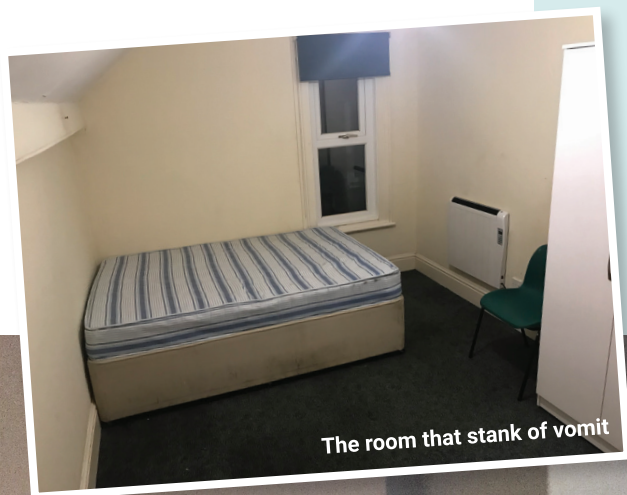
The communal corridor mid-refurb

was no deal to be done when their expectations were so sky high.

Toby was ready to walk away at that point, and rightly so! It was a crazy expectation. We chatted for a while and decided that we had nothing to lose by at least putting an offer in, even if it was going to be absolutely miles away from the landlord's expectations. At least we'd put our cards on the table and had made an offer.

Our initial offer was:

- £3,000 lease fee
- No deposit
- Three months rent-free
- We would pay to refurb the place
- Five-year lease agreement
- We would deal with minor maintenance during our tenancy



The room that stank of vomit



An important thing to do when making an offer that you know is miles off the landlord's/vendor's expectations is to add weight to it with a clear explanation of why the offer is what it is, so it comes across as a carefully considered offer and not just a cheeky ask.

A lot of training programs will tell you that unless you're embarrassed by your offer then it's not low enough. This, in my experience, just results in lost credibility with the seller or landlord as well as frustrating the agents, so it's not what we teach to our students. Instead, make an offer that works for you financially even if it's miles away from the initial expectation, and then back up that offer with facts to give it weight.

Remember, in a negotiation you have to change the mind of the other person and move them towards your way of seeing things. To do that you need to appeal to their logical mind with facts and figures, their emotional mind by enhancing their pain so they want the solution, as well as selling the benefits of that solution to increase their desire for it. Just throwing low numbers in their face in the hope that enough low offers will finally get you a good deal doesn't do any of those things. In fact, they are likely to just cause people to dig their heels in and entrench their position making them even harder to move.

So, with that in mind, we explained that we wouldn't be able to offer more due to the condition of the place, meaning there would be a major piece of work to make it habitable. We explained that if they tried to rent it in its current condition they could expect a visit from the council's environmental health officer before long!



We told him that his place would be far better cared for, and that when we invest money to upgrade its condition, we would want to keep it in that state so that if he does want his property back in the future, he can have it back in a nice condition rather than stepping into a crack den. We also informed him of our credentials and how many deals we had done in the area already. We explained what type of tenants we'd be housing, and how we manage them to make sure they behave in the property. We emphasised how much it was costing him to have it sitting there empty when we could be transferring £3,000 to his account tomorrow morning instead.

Unfortunately our initial offer wasn't accepted — shock! The landlord didn't come back with a counteroffer either, which was a bit discouraging so we let it sit empty for a while. Suddenly I felt some affection for the poo on the front door step, as it would be sure to put people off nicely, meaning it would sit there empty a while longer with mortgages and council tax still to pay every month.

“Eventually, our waiting game paid off, and after five weeks, we were approached by the agent to see if we were still interested”

When this happens, it doesn't mean it's a done deal but it does mean that you can at least come to the table to discuss things which is exactly what we did. The agent arranged a meeting with the landlord at a coffee shop in the middle of Bedford, where he explained why he wanted what he wanted and gave us some insight into his expectations.

We asked him a lot of questions. A really important thing in negotiations is to create a solution that results in everyone winning or you won't have a deal — you'll have one happy party and one annoyed party and things will fall over quickly. To create that win, you need to know what's important to the vendor, so we asked what they cared about and what his problems with his previous tenant were. (Not because we didn't know, after all it was pretty obvious from a brief glance at the place! But more to remind him of the issues that come with the sort of tenant who is willing to pay way over market value.) We needed him to understand that the price he was receiving previously was essentially compensation for the state it was left in and not a realistic representation of what the building was worth.

After a lot of talking, selling the benefits of working with us, a minor concession on the price we were offering, and further concessions on the timing of the three months rent-free and a deposit, we agreed on a deal.



Chris selling the accommodation to a team of contractors over the phone half way through the refurb

THE DEAL

UPFRONT INVESTMENT

Deposit:	£3,100
1st month rent:	£3,100
Refurb:	£30,000
3 months rent-free (to allow us to carry out the work and recover some of our investment):	£9,300
Total:	£26,900

CASH FLOW

18 x £485 = £8,730

Rent	£3,100
Bills	£1,500 (council tax, energy, water, wifi, maintenance allowance voids allowance)
Profit	£4,130 pcm
Breakeven	6.5 months
ROI	184%

To finance the project, we needed to reach out to our investor network because we didn't have the best part of £40,000 sitting in the business account at the time.

Having investors on board seems to be something a lot of people struggle with when building their property business. We dedicate a whole module of our training to helping people understand how to raise finance because of this blocker so many people face. Many people seem to be under the misconception that you need to be raising hundreds of thousands of pounds at a time in order to fund projects effectively, and this feels daunting because the average person in most people's lives doesn't have hundreds of thousands of pounds sitting waiting to be invested. It may be the case that you have to raise large sums for big developments, or buy-refurb-refinance projects, but for the majority of rent-to-rent projects, you will already know enough people in your immediate network who could invest in your project, you just haven't approached them about it yet.

The average rent-to-rent deal will cost around £5,000 although often a lot less. Think about it right now — if you had to raise £5,000 and doing so meant you could make an extra £1,000 per month, who would be the first people you approach? And then ask yourself why haven't you done so yet? As long as you keep it professional and offer something based on a solid business foundation, then there should be nothing to be afraid of. The worst they can say is no thank you, and you're no worse off than you were when you hadn't asked.

Luckily, because we've been operating since 2016 we have our go-to investors established already. We agreed a £40,000 loan at a rate of 7% pa and moved ahead with it.



FINDING TENANTS

After completing the refurb project, applying to update the HMO licences where we had to, and so on, we turned our attention to finding tenants. We'd been banking on the NHS bringing a load of nurses into the country from the Philippines. We had had a couple of meetings about it and even showed their accommodation teams the property and agreed pricing. But just as we finished the project, it all fell through, leaving us with 18 empty rooms that we thought were going to be full from day one!

As luck would have it, a team working in the local area saw our Spareroom adverts and reached out to us. After a couple of weeks a team of 12 people moved into the property, tipping us into a solid profit. The final flat was filled with more traditional tenants the old fashioned way — by marketing on Spareroom, OpenRent and Facebook.

Securing that team of people led to us pitching and securing business to accommodate an additional 34 people working on the same project. The story of how we did it is too much to describe in the space remaining in this article, but I'm sure if you ask YPN nicely they might let me write about it in a future issue! As with anything new we learn in the course of running our seven-figure property business, it does also feature heavily in our training materials as we bring our students the most up-to-date information on what's working and what's not in the world of property.

Looking back on this project, it was the perfect stretch for us. It made us start thinking about our business not just in terms of individual houses, but how we could look at blocks. We had to reconsider our marketing as to how we could market more effectively to groups of people, so that we don't spend forever trying to fill individual rooms. It has forced us to think bigger in all areas, and I'm excited to continue doing so.

I hope you've found reading about our project as exciting as I found working on it, and that it has inspired you to think bigger in 2021!

GET IN TOUCH

To contact me directly or for regular free property content from behind the scenes of my business, connect with me on social media:

[Facebook @chrispeelproperty](#)

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For property tips and training, join our facebook group: The Property Abundance Community, or follow me on Clubhouse [@chrispeel](#) where I'll be leading discussions in property investing in 2021.

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PART 4 HOW TO WRITE THE PERFECT SCHEDULE OF WORKS

By **Jesse Fossey Taylor**

To recap parts 1-3 of Momentum Investing, we already know what sort of house to look for at what price (between £50,000 and £150,000). Ideally, it will need a bit of work, but the cost of the property itself plus the renovations should not be more than 80% of the new value of the property when it is in tip-top condition.

When purchasing a house, four equally important numbers need to be considered: the end valuation, the cost of renovation, the rent and the purchase price.

In this article, I'm going to focus on the cost of renovation, and more specifically, how getting the right list of works can accurately influence the cost. This list is called the schedule of works.

A big mistake that I see a lot of investors make is paying too much for the renovation. This will, inevitably, kill any deal. Conversely, I also see a lot of investors not spending enough money on certain areas, such as central heating, addressing damp and electrical safety and so on. So, having the right schedule of works will not only help you



save money, but also allow you to focus on which jobs are the most important.

Every schedule of works starts with an implied level of fit and finish. When buying a house that's sub-standard, it needs to be brought up to standard. But first, you need to have a very clear understanding of what that standard is to you. Ours is magnolia walls, white gloss woodwork and a Coca-Cola coloured carpet. Some like white walls and a grey carpet. This will be refined over time and it'll eventually be incorporated into your schedule of works.

Knowing this will be useful when viewing properties, as you will need to constantly consider your standard when looking around.

I always start writing the schedule of works when I'm on viewings, and sometimes I take

a builder with me for guidance. Builders will usually begin at the top of a house and work their way down, so I like to walk through the house in the same way, just so I can keep things in a nice logical order.

Any room can be broken down into seven elements:

- 1 Decorating:** I always assume this needs doing.
- 2 Flooring:** I will always put in new carpets, so again, I'll automatically include it.
- 3 Ceilings and walls:** Obviously you will decorate, but do they need any work before you do this? Eg, replastering, filling a hole in, fixing a crack, removing polystyrene ceiling tiles, wallpaper stripping, etc.
- 4 Joinery:** Skirting boards, architraves, floorboards. Do you really need new doors or can they be repaired? What's the price difference between the two options?
- 5 Windows:** Do they open and close properly? Are the handles there? Are there key locks? Double glazing?
- 6 Central heating:** Are the radiators warm? Is it serviceable? Are there radiators?
- 7 Electrical work:** It might just be changing face plates, or you might need to move or install a socket. All bedrooms need at least two double sockets, and if it's a larger room, it'll need three. A living room will need three and, depending on size, a kitchen will need at least four at different heights to accommodate larger appliances. And don't forget about lights and light switches as well!

Throughout the viewings, I'll make a note of each of these things for each room, and then go around the outside of the house as well to see if anything needs doing externally.

After your viewing, type up your notes, as it's the best way to get a clear view of what needs doing and you can apply costs to each job. You shouldn't make an offer until you understand how much the works will be.

TIPS ON CREATING THE SCHEDULE OF WORKS:

- **Aim for a turnkey schedule of works.** Once you give your builder or tradesman the key to the property, they should only give it back when all the works are complete. And remember, if something isn't on the schedule, then you could end up doing it yourself, so make sure it's as detailed as possible, that it captures all the small jobs that are easy for a builder to do whilst they are there.
- **Specify all the touch items yourself (the things that you and a tenant can see):** By that, I mean tiles, carpets, kitchens, cabinets, paint, etc. You need to specify what you want and at what price. Make sure the builder knows so they can buy themselves, don't you buy it. If you buy

it, any issues with the product is your responsibility.

- **It is not an exercise in interior design.** If you put your stamp on a property then you're just as likely to put people off. Your aim is something neutral. A good way to determine what's popular is to look at the catalogues of the big homeware stores (B&Q, Homebase, Howdens, etc). Whatever is on the front page is what most people want.

Creating a schedule of works seems like a lot of work at the beginning, but it will eventually become a cut-and-paste exercise, because each property is quite similar and builds on the last one.

Next month, I'll explain **how to contract a builder and how to ensure your schedule of works gets built within the right timeframe, budget and quality.**

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12-MONTH GOAL SMASHED IN JUST 5 MONTHS

... WITH
A LITTLE
HELP

BY MARK LLOYD

There's no question that 2020 was a tough year for many, and yet there are some who chose not to let the pandemic stop them achieving their goals. One such person was **Kate Roxburgh**. 12 months ago I hadn't even met her, but in a short space of time she has achieved all that she wanted and more. Below is her story ...

My property journey began in 2009 as a naive 28-year-old on a safe and comfortable teacher's salary. I had been saving for a few years to buy a flat in South West London, and had no idea about the global crisis that had just occurred.



I ended up being the very last recipient of the Key Workers Loan Scheme at that time in the area, and finally exchanged at 5pm on a rainy Friday evening after hours of pushing the reticent management team to agree to the loan. By September 2009 I was the proud owner of a brand-new two-bedroom ground floor maisonette with private parking and its own garden in South West London.

Fast forward to 2016, when I was married with three step-children and living in a lovely cottage in the Yorkshire Dales. The flat in London was now being rented out because I was at least aware enough that it was a good asset. Our middle son decided that he wanted to go to music college in Manchester, and given that he would be only 16 years old when he started we needed a solution to him finding accommodation. I knew that paying student rent for the next five years wasn't the best financial choice, but we were limited given his age. I began to look at flats to buy, so that he could live with a friend who was due to start university at the same time. The rent from the friend would cover the cost of the mortgage.

FAST FORWARD AGAIN TO MARCH 2020.

We bought the flat in Manchester, although my son and his friend didn't end up going to university there. We sold the flat in London with a healthy £105,000 profit, and we purchased four more BTL properties in the North.

I was pleased with what I had achieved so far, but was frustrated at my lack of bravery and the fact that I knew I was really still playing in the shallow end. My BTLs were bringing in a nice and safe, but relatively small, income. My portfolio might provide a moderate pension pot but I wanted to see what I could achieve if I really committed and stepped out. I needed to educate myself and I wanted some support to push myself so I could make bolder decisions from a position of knowledge.

After lockdown was announced, it seemed I was one of the few lucky ones that actually benefited from this period.

As private tutors, our business was not affected too badly and as landlords, we lost very little rent. I also gained some time due to the lack of travel and other activities. I am a big believer in counting your blessings and making the very most of them, so I was determined to make good use of this extra time, when thousands of others weren't in that position.

I wrote myself a rigid timetable that fitted in work, fitness and education. I wrote goals and set daily, weekly and monthly tasks that would take me up to September 2020 when term would start again and lockdown would be a distant memory (so naive!). I downloaded Audible books, podcast series and YouTube videos, and watched and listened to every mindset and property investing book and programme that I could find.

I wrote to property investors that I liked the sound of, asking for advice or work

experience with them. One such investor was Maria Thompson who very kindly gave me 45 minutes of her time on a Zoom call, and she was a real inspiration. She asked me about my goals and very gently suggested that I was capable of much more than I realised, and suggested that I cut my timescale in half. I went away from that Zoom call with the realisation that I needed two things; to rewrite my goals and make them bigger, and a mentor to keep me accountable and help fill some of my knowledge gaps.

I had spent 12 months looking at mentorship schemes and property training, and wasn't impressed with most of what I saw. A lot of the advertising promised the world at slashed down prices as long as you clicked the button in the next 12 hours – a total turn off from the beginning.

I was scrolling through Google one day, when one particular advert caught my eye for Property Master Academy. It was stylish and professional and certainly not overstated. I quickly filled in the online form, pressed send and sceptically assumed I'd get the same old, slightly over-familiar reply that I hated. So when I received a short but professional reply from Mark Lloyd a few hours later suggesting a telephone call to talk things through, I was pleasantly surprised.





We had a 45-minute conversation the following day, where I talked about my position and my requirements. Mark listened and suggested a route forward that would suit what I was looking for. I came off the phone feeling elated that I had finally found a company that was professional, knowledgeable and affordable. I signed up to a rent-to-rent course, as this had been a strategy that I had spent some time researching and it fitted my current position and goals really well.

LATEST PROJECT: 8-BED HMO

Monthly rent required by landlord	£1,050.00
Monthly cash flow	£1,010.97
Set up costs	£480.00
Breakeven point (months)	0.47

FAST FORWARD TO DECEMBER 2020

I now own Maidenscott Properties Ltd with five properties signed, all on five-year commercial leases consisting of 27 rooms. They were empty when I took them over and I now have 23 rooms rented out to happy tenants. I have had three more landlords contact me asking if I'd take on their properties, and I have a lot of great feedback from both the landlords that I am working with and the tenants in the properties.

The rent-to-rent course that I have been a part of for the past five months (overseen by Mark Lloyd and run by Justin Whittemore) has been one of the best learning experiences of my life. I went into the course having spent a lot of time thinking about my 'why' and what my goals were, and I was determined to put everything that I was taught into practice regardless of how uncomfortable it was.

I was being taught by people who had achieved huge things in property and had 50 years of combined property experience, and so I was not about to debate the necessity of social media or videos for my website or weekly blogs. If I was told to do it I would do it.

This mindset, together with the knowledge and support of Justin and Mark and the rest of my group, has got me to this point. My original goal for this year was to have acquired four rent-to-rent properties with a total of 20 rooms making a profit of £100 per room in my first year up to August 2021.

As I write this in December 2020, I have acquired five properties with a total of 27 rooms and I have a great set up. I am following the advice of older and wiser mentors, working really hard and we are achieving results beyond those that I believed I was capable of.

I often think that I am lucky in life, but I am realising more and more that if you work hard to set up strong foundations and are consistent in the everyday things, then when those 'lucky' breaks come, you are in a great position to make the absolute most of them. I am determined to keep working on those foundations and I can't wait to take advantage of every lucky break that comes my way.



Justin Whittemore is the lead mentor behind Property Master Academy's successful Rent-to-Rent Mentorship Programme.

Mark Lloyd is one of the main mentors behind their successful Elite Mentorship Programmes, along with Jackie Reeves and Peter Licourinos

For more details, email

mark@propertymasteracademy.co.uk

or call 01252 73004



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PLATINUM
PROPERTY PARTNERS



‘I never would have had the confidence to do what I’ve done without the Commercial Mastermind..’

Alex and Emma Glass could have been flipping burgers instead of enjoying the fruits of their residential and now commercial property investments...

But as soon as Alex came across Platinum Property Partners’ Houses in Multiple Occupation (HMO) franchise in 2012, he wasn’t ‘lovin’ the fast food option as much as he had been.

That was 2012.

Six years on, Alex and Emma had eight fully-functioning PPP HMOs, but were getting itchy feet for something new.

“Then PPP announced the 12-month Commercial Property Mastermind,

which was great timing for us,” says Alex.

Alex and Emma signed up and no sooner had the 12-month programme’s opening two-day workshop finished, they were on their way back to Reading to explore opportunities – one of which had been staring Alex in the face for months.

“I’d been driving past some buildings for sale in Reading for God knows how long,” laughs Alex. “But I hadn’t really given them a second’s thought.

“After the first two-day workshop I looked at the buildings in a different way and looked into them further.

“We ended up buying all three in a joint venture with another Fellow on

the Commercial Property Mastermind and they’ll run under a serviced accommodation model.”

Reading Serviced Rooms was born.

“I don’t think I would have identified the opportunity for those buildings unless I had started the Commercial Property Mastermind,” admits Alex.

“Would I have pursued the project without the confidence the programme gave me? I don’t think so.

“There are so many areas we’ve benefited from due to being on the programme and one thing’s for sure, we’re not done yet.”



ARE YOU PREPARED TO SAY YES WHEN OTHERS ARE SAYING NO?

ARSH ELLAHI

For this month's article, I have decided to write about how I managed to build a decent sized portfolio by simply saying yes, and to explain the logic behind it.

Have you ever heard the famous quote from Sir Richard Branson:

"If someone offers you an amazing opportunity and you're not sure you can do it, say yes – then learn how to do it later."

I literally took this piece of advice many years ago and decided to say yes to every opportunity that crossed my path. Why would I do that? Well, it was simply to allow exclusivity to the opportunity in so that I could assess it fully or learn how to do it later.

HOW I USED IT IN PROPERTY

I decided that every time someone came to me with an opportunity and asked if I was interested, I would say yes. However, I would be clear that by saying yes, that the owner or agent would give me time (or a window/timeframe) to fully assess the property to ensure that it meets my criteria. I then developed this further so that I could take advantage of every opportunity and monetise every lead. I appraise every property I look at in two ways:

IS THIS A PROPERTY I WOULD BUY MYSELF?

I ask myself whether it fits within my investing parameters, ie is it in the right location and does it fit in well within my existing portfolio? If the answer to these questions is yes, I will start to look at the property in greater detail and arrange a viewing to assess further.

If it doesn't, I will not dismiss it. But I will now look at it from a slightly different angle.

Would this property be suitable for another property investor?

Just because it may not fit my investment parameters, it doesn't necessarily mean it will not meet other investors' criteria.

As a result of this way of thinking, I am now able to look at every single property and assess it with a view to monetise every lead. The key is to be able to add value so that another investor can look at the property (that you have packaged for them) and be able to understand your vision and why you think it is a good investment opportunity.

This may include:

The property may be sourced below market value – Some investors are happy to accept lower BMV deals than others, as every investor has their own criteria. Not everyone is after a 25%-30% discount. Many will accept a 10%-20% discount, knowing that some money will be left in the deal if the property boasts other merits.

The property may have multi-let potential – Thus making it a good potential to generate a healthy cashflow.

The property may be within close proximity to key landmarks such as city centres, large employers, universities, hospitals etc – Showing any potential investor the demand is there for the property.

The property has the potential to be extended/developed further – Potential to add value, or increase value through a planning gain.

Looking at multiple exit options – Demonstrating how an investor could potentially pull out some, if not all, of their money.

Looking at properties in these ways have allowed me to build a significant deal sourcing business as I can now monetise every lead.

On average when I package a deal, I generate approximately £2,000-£3,000 per property. Now, think about all the properties you dismissed in 2020. How much you could have earned from them? Is this a lightbulb moment for you?

I have the mindset:

'If I do not buy it, I am pretty sure another investor will'

I also consider that every property doesn't have to be a BMV opportunity. I learnt very quickly in circa 2003 that trying to find deals that stack 25%-30% are not as common as we would all like. Therefore, I had to adapt my approach and strategy so I could look at properties and appraise them even if they are:

- Purchased at the full market value
- Potentially in negative equity
- Taking properties on a rent-to-rent basis
- Controlling properties and adding value with an option in place





These are just some of the tools that I use to negotiate the deal. I always go into every negotiation with what I would call

THE 3 PILLARS OF SOURCING ...

- **Can I Buy It From You?**
- **Can I Sell It For You?**
- **Can I Rent It From You?**

With the Buy, Sell, Rent mindset, I have equipped myself and should be in a position to do a deal with every vendor or opportunity that I come into contact with. Many will only look at a property with a single vision and therefore will lose most of the opportunities they look at. I call this the tunnel vision approach, whereas I use the funnel vision approach.

I learned from a speed awareness course (please don't judge me!) that by using the tunnel vision approach, you can only see an opportunity right in front of you, whereas the funnel vision opens it out to almost a wide-angle vision where you can see everything around you. I adopted this piece of advice so that every time I drive down a road, I can see all the properties for sale, rent, and boarded up.

I know this wasn't what they were meant to teach me on the speed awareness course, but it has certainly helped me. I now see opportunities everywhere. I also use this approach when I look at an opportunity. I appraise it with the wide-angle approach and look at all the potential options that property may have, and work accordingly to the strengths of the property.

Using this advice in 2021, I believe that we will see many opportunities as an aftermath of Covid-19. These will include commercial/retail opportunities as well as many residential opportunities.

Remember the key phrase – **Just Say YES** and buy yourself that time. If you instantly dismiss it, you will be passing on the opportunity for someone else to take advantage and thus missing out on an opportunity to monetise that lead.

If you would like some more information about how I monetise these leads and turn them into a deal, please get in contact by emailing me: arsh@arshellahi.com

I have many videos recorded on this very subject, which I am happy to share with you.

As always, I wish you every success on your journey.

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

CONTACT

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

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





45 WAYS TO BUY PROPERTY

Hi, and welcome back to this series! The two previous articles showed you how to Buy Well and Add Value, and this month the B.A.R (Buy well, Add value and Repeat) method is completed with the "Repeat" lesson.

PART 4

With Rick Gannon

There are several different ways that we can Repeat this process:

- We can Repeat with the bank's money. This is in the form of mortgages and other commercial lending – banks are happy to take a charge over a property and lend money against the property value.
- Rent-to-rent/Options (other people's tied up capital). You could use these strategies to enter into a lease with the property owner, which allows you to control the rent and cashflow.
- Investors/JVs (other people's money)

THE PROBLEM WITH DEALS WITH MONEY LEFT IN:

- **You run out of deposits eventually, no matter the size of your nest egg**
- **If you have investors, you have no way to repay them**
- **Stops you buying future deals**
- **Uses your money. You are sophisticated investors – your ROI should be 15% or infinite with nil in deals**
- **Banks are lending residentially at 1.95%**

To keep a flow of deposits coming back to you, you need to look at how you can create value and then recycle that back out. This way you protect your precious initial pot of money.

LONG-TERM REFINANCE

Firstly, let's look at the long game. Property has historically always gone up in value. One of the simplest ways to invest and make money from property is to buy property, rent it out and wait. Now I know this is a very simplistic view, but if you take a longer-term overview of property, you will see that property prices always increase.

Bricks and mortar always increase in value – despite the odd blip

Despite recessions and other economic crises, actual house prices in the UK since 1975 have almost tripled, from £89,383 (in 1975) to £217,274 (in 2018), with average house prices peaking at £253,420 in 2007 (just before the global recession).





INVEST IN PROPERTY NOW

With interest rates being at a historical low, the cost of borrowing money to invest in property has never been more accessible or low cost.

Banks like security when they lend, and property is one of their favourite securities – again helping when you apply for finance.

Once you've bought your first property and it has increased in value – either over time or because of improvements made to it – you can refinance and take out the profit element and use that to reinvest into another property.

In this way, over a period of time, you are recycling your initial capital, taking it out of one property and putting into a new one. And then repeating the process.

If property prices double and you have used finance, then you double the financed element too, which you get to keep.

If you have tenants in those properties covering the mortgage payments and fees each month, then this can be a great way to scale your property investment business.

TEN-YEAR HOUSE PRICE PROPERTY GROWTH

But you don't have to park your money for nearly 50 years! Property prices tend to increase every ten years. Using the same data, the average property prices were:

- **£151,976 – 2001**
- **£199,605 – 2011**
- **£217,274 – 2018 (the latest figures available)**

This is supported by the Government's Land Registry house price data, which shows that the average house price across all property types – semi-detached, detached, terraced houses, flats and maisonettes – have increased.

Average house prices:

- **£84,620 – January 2000**
- **£167,469 – January 2010**
- **£234,742 – January 2020**

You can see the house prices nearly doubled between 2000 and 2010 – and nearly trebled in value by the time we get to 2020.

On this basis, you are nearly doubling the equity of the property every ten years.

PARK YOUR MONEY IN PROPERTY

Then, just sit back and wait for your property to increase in value!

We know there are other ways to make money from property faster and with more leverage, but sometimes it is useful to remember that over time property prices continue to trend upwards.

SHORT-TERM REFINANCE

When I talk about short-term finance, I like to use a little story to help explain it.

The airline industry only makes money when the aeroplanes are in the air and paying customers are on them. When the aeroplanes are on the tarmac, they're not making any money. After a plane arrives at its destination, the idea is to turn the aeroplane around and get it back up in the air again as soon as possible. So, the airlines make money by efficiently using their money-generating assets – planes. Their processes are geared to use their assets by keeping them in use all the time.

In this analogy, your aeroplane is your risk capital.

To start investing, you may have a small pot of money and that is your risk capital. When using the short-term refinance principle, the idea is that your risk capital is your deposit

to recycle through a property. Therefore you'll keep using the same money over and over. You put the money in, you add the value and then pull the money back out, as fast as you can. This way, your money is flowing through your property, coming back out on refinance, and magic happens. Your wealth is transformed and you create a great new asset of an infinite or high return on investment.

Shorter-term refinancing needs to be considered with your broker and a knowledge of the products on the market. From the beginning of the project, you should discuss your plan with your broker that you'd like to refinance once it is complete.

Refinancing is not something you want to do regularly as it can be costly with administration fees and early redemption charges (ERCs), but if you can refinance and get another property with the money back out of the property then you should consider how this will help you grow

I hope this was useful, please don't forget to head over to my Facebook page for loads of free property investing tips. See you next month!

Rick

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



ATTENTION PROPERTY INVESTORS & LANDLORDS

IS YOUR ACCOUNTANT A PROPERTY SPECIALIST?

- ✓ **Specialist property team**
led by Stephen Fay ACA
- ✓ **Tax-planning** services for
property investors
- ✓ **500+** property clients-
property is all we do!
- ✓ **Recognised Supplier** to the
National Landlords Association

 **Fylde tax
accountants**
...the property specialists



Stephen Fay ACA

HOW TO STOP WORRYING

By Rupal Patel

For almost a year now, the world has been gripped by Covid-induced worry. But I'm not here to talk about the C-word, dear readers (thank goodness!), but pandemics of worry and anxiety that can afflict us all at different stages of our lives and at different stages of our businesses.

Because what Covid has brought into stark relief for me is how much human beings worry about things completely out of our control. We all do it. Whether it's worry over how someone will respond to a business pitch, how a seller will respond to our offer, how an investor will respond to our newest project, or any manner of big and small personal, business, health, and relationship-related things going on in our lives.

And one of the best antidotes I've ever found for dealing with worries is to do this: play the Worst-Case Scenario tape to the end. What I mean by this is to take whatever we are worrying about and go to the worst case: we get sick, we get fired, we lose the deal, we lose the money, whatever it is. **THEN**, to

accept that as a reality (even if it's not nor ever will be), and **THEN** to spend our time and effort trying to claw back the potential impact or scale of that worst-case event.

I did this mental exercise a few years ago for our property business with regards to Brexit (does anyone even talk about that Boogeyman anymore?!). I assumed the worst of the worst-case scenarios I could imagine: a flight of tenants from the UK and an economic nose dive. I accepted this as a theoretical reality, and then thought through **all** of the ways we could adapt our business to minimise the impact if we had to: convert some of our HMOs into single lets, take on tenant buyers, create additional, non-property-related streams of income ...

And every time I've played the worst-case scenario tape to the end, two things have happened: 1) I've realised the worst case is almost always survivable and that it is never as scary as it first seemed,

and 2) giving a concrete form to my worry eliminates almost 100% of the fear around it. An amorphous anxiety becomes something with a name and a shape, and once I know what that name and shape is, I can think through how to deal with it **concretely** if I ever have to. (And of course, I may never have to.)

Playing the Worst-Case Scenario tape reminds me – or forces me to find – all of the things I **can** control. And the same can be true for all of us.

Because the thing about worry is that it depletes us in every way possible way. But all the effort and energy that goes into stoking the worry can be channeled into stoking solutions instead. Name the beast. Accept the worst-case scenario. And then put on your big girl pants and figure out how you will handle it if it ever happens!

Now some of you may be saying: ***"But I need to worry. I need to wring my hands and wallow in self pity and get it out of my system."*** And I totally get that. We can't always think our way through strong emotions. I am the same way sometimes. I need to vent and wallow and immerse myself in negativity before I can move on and be proactive and positive.

That's why the other grown-up thing I do – and we can all do – in the face of worry is to put a deadline on it. To give ourselves only X days or Y hours to worry and then decide that after that time has passed, we're done. We will gnash our teeth and drive ourselves crazy for a **FIXED** amount of time. And then we'll grow up and move on. We'll play the Worst-Case Scenario tape to the end and start finding solutions instead of staying mired in the problem.

Easy? No. Simple? Yes.

This is how we stop worrying and start living.



If you want more invaluable advice about managing worry and stress, I highly recommend the book that inspired this post: **"How to Stop Worrying and Start Living"** by Dale Carnegie. As a leader, property investor, and a human, it will be one of the best gifts you can give to yourself.



12 WAYS TO BECOME YOUR OWN BANK OR FINANCIAL BROKER

BY RICHARD BROWN AKA



"Money's too tight to mention" was an 80s' song made more famous by Simply Red. Investing in or developing property is one of the most capital-intensive activities we could aim to do as individuals, so no wonder money can become too tight to mention for us at times!

At some point in time, we will either think we don't have enough money to start, continue or we may well run out of money before reaching our 'big hairy audacious goals' of financial freedom, lifestyle and choice.

So, that's that then, is it?

...Well, this would be a short article if it was. So, what's the answer?

...Become your own bank or finance broker!

I can't work miracles and conjure cash from thin air unlike the Central Banks! What I can suggest are some ways in which you might be able to raise that additional funding for your property plans and goals under your own steam. Here then are 12 ways to become your own bank or finance broker:

Self-Generating

- Savings & Bonuses
- Garage/Loft Clearance
- Alternative Income Streams

Personal Equity Raise

- Equity Release
- Second Charge /Further Advance Lending
- Alternative Asset Refinancing

Using a Company

- Pensions
- Intercompany Loans
- Directors Loans

Self-Broker Fund-Raising

- Friends & Family
- P2P & Crowdfunding
- Private Finance & JVs



SELF-GENERATING

Savings and Bonuses – This is the one everyone knows about. It's slow, boring, virtually risk-free and it also means you owe nothing to anyone to boot. You might need to become an 'extreme saver', much like members of the F.I.R.E (financial independence and retire early) community to accelerate the process. However, saving is the cornerstone of all good personal financial management, so it has to start the list off.

Bonus tip: Using tax-free wrappers, such as an ISA, can reduce the tax deductions that can eat into your savings growth.

Garage/Loft Clearance – When I started investing in property, one of the ways in which I raised money was to get rid of all my old sh*t. I became an eBay and car boot legend, if only for a single summer. Nearly all of us have accumulated a seemingly unending pile of clutter over the years, so it's time for a clear out. In fact, I might have to have another go at this having just spotted various unused electronic devices lurking in drawers and boxes around the house.

Alternative Income Streams – If saving is a form of delayed gratification with your money, then a side hustle or second job is the equivalent with your time and/or knowhow. When I was a student I worked at KFC to help support my grant income (that dates me, I know!). However, that was two sources of income at the tender age of 18 already. Fast forward a few years and I have operated side hustles, second jobs and multiple businesses/income streams to generate additional funds to invest.

Bonus tip: The Rent-A-Room Scheme allows you to earn up to £7,500 per year tax-free by taking in a lodger at home.



PERSONAL EQUITY RAISE

Equity Release – Some people looking to get started in property start at home ... literally! If you have equity in your home and can safely justify and afford the increased repayments, it can be the cheapest borrowing you can ever take on. Keep in mind that this is still borrowing and being your home should mean taking extra care to make sure you don't overstretch yourself.

Bonus tip: You won't find them too easily but an offset mortgage would allow you to have a flexible drawdown facility that you can dip in and out of for project funding.

Second Charge/Further Advance Lending – If you have enough equity in your home or an investment property, you could take a second charge or further advance on it to release additional funds. The further advance is usually permanent or long term, but often with a second charge it can be used with bridging finance and so could be for a short period of time. This would allow it to be repaid once you've completed your property project and sold/refinanced out.

Bonus tip: Did you know that you can use second-charge bridging finance on your own home through regulated lenders?

Alternative Asset Refinancing – When you are clearing out the garage or loft, keep your eyes peeled for some fine art, vintage wine or the odd classic car! If you find something like this, then there are some specialist lenders that will offering borrowing secured against such assets, and I'm not talking about the pawnbroker either.

USING A COMPANY

Pensions – One of the best-kept secrets of the property community is the SSAS Pension. A SSAS (small self-administered scheme) is basically a company pension for your business, whether it's a property business or not. You could also transfer your own old pensions into your SSAS to make it a source of funding to your property business in the form of loan-backs or direct investment into qualifying investments. If you want to know more, then I suggest that you get a copy of SSAS Pension Legacy by Richard Philip Parker.

Bonus tip: Personal and company contributions to any pension scheme are tax-deductible, so HMRC could become your bank too.

Intercompany Loan – If you already have a business or contracting service company and have accumulated cash and profits, then one of the ways to utilise these in your property business in a tax-efficient way is by lending from your existing business into your property trading or investment company.

Director's Loans – Similarly, withdrawing funds from a company you own can be another source of funding, particularly for short periods of time.

Bonus tip: Make sure that you repay any director's loan withdrawn from your company quickly to avoid the worst of the tax issues and do also take professional advice.

SELF-BROKER FUND-RAISING

Friends and Family – I have a saying ... the closer the source of funds is to our heart, the lower the rate! OK, so that's not always true but ... whether an interest-bearing loan, gifted deposit or even an early inheritance, the people closest to us usually want us to succeed in life and achieve our goals, so maybe it's worth a conversation at least.

Bonus tip: Treat any commercial arrangement with friends and family seriously, with a clear business/investment case, taking great care of their money and always commit what is agreed to writing to save any relationship misunderstanding arising later.

P2P and Crowdfunding – I have included this here as often you can go to these sites directly to raise funds without a middleman. P2P is usually to raise debt and Crowdfunding usually for equity, where lots of everyday and not-so-everyday people are looking for a decent return on their money.

Bonus tip: Don't forget that you need to present yourself as being both 'bankable' and/or 'investible', so I suggest that you sign up as a lender/investor first to see how others do that.

Private Financing & JVs – Ah, the Holy Grail of the property investment community, coming in last! If I told you that it took me the first half a decade of being in property to raise £250,000 and then the second half to raise over £4m, it probably tells you something. OK, so I didn't really know what I was doing in those first five years to be fair, and it took some time to build a track record, credibility and not to mention self-belief. However, accessing private investment and in particular as development finance or equity was literally a game-changer.

Bonus tip: If you chase the cash it will elude you ... but if you relax and let the cash chase you it will flow towards you.

There you go, a quick run-through of how you could become your own bank or finance broker to raise funds for property investing and developing, taking you from *Money's Too Tight to Mention* to another 80s' classic, *Money's For Nothing* and out of Dire Straights, if you like.

Did you learn at least one that you didn't know before? If so and for your reference, this article is a taster from my forthcoming book on Property Financing.

Final bonus tip: If you like what you see here, then get yourself on the book pre-release list. Just drop me an email admin@thepropertyvoice.net and ask to go on the New Book Release List, then you'll be one of the first to hear.

Richard Brown is the author of **"Property Investor Toolkit: A 7-Part Toolkit for Property Investment Success"** and **"#PropTech"**.



CRISIS AND RECOVERY LEAD TO A LIFESTYLE EVALUATION

FROM CONSULTANT TO DEVELOPMENT
TO ... DEVELOPMENT!

Words: Jayne Owen

At this time of the year, and especially when we're in yet another lockdown, it's good to get some inspiration to get us through the dark days. Claire Sheehan is one of the most inspiring people I have ever spoken to. Not only is she a successful investor who has become a property app developer, she has overcome some pretty dark days of her own to get to this point.

Her story is one of triumph. A devastating health diagnosis prompted her to re-evaluate her life but she remained flexible enough to change direction when things didn't go to plan and a different opportunity opened up. I hope you are as inspired by Claire's story as I have been by speaking to her.

Jayne



27TH JANUARY 2012

My story starts nine years ago when I was diagnosed with a form of breast cancer that is one of the biggest killers. It was 27th January. The date is etched on my mind.

I was working as an independent business consultant at the time. My professional background is in credit and risk management and although I loved my job, the diagnosis, treatment and recovery led to a conscious decision to do something different.

Until that point I'd had a work hard, play hard ethos stemming from the corporate culture in Sun Microsystems where I worked in the early days of my career. I met my husband there and we partied a lot and had fun. That culture wasn't uncommon in large companies at the time, particularly in the IT industry. It was amazing really, and experiences like this set you up for where you want to be and what inspires you. But it all came tumbling down on 27th January 2012.

I went through a year of hell. Even though I was fortunate that the cancer was caught in time, I thought my time was up. The tumour was aggressive and growing fast. The consultant warned me I had a tough year ahead and though he was fantastic and reassuring, there were no guarantees.

I had an operation, a lumpectomy, to remove the lump and my lymph nodes, then went straight into chemotherapy every other week for five months – it was an aggressive treatment to try and beat it quickly.

In the alternate weeks when I wasn't having chemo treatment I carried on working in my consultancy. That kept me going – I enjoyed it and it did wonders because it was something different to focus on.



Another operation, a mastectomy, followed and I had a further shock afterwards because they found three more tumours that hadn't been detected before. That led to a course of radiotherapy and yet another operation because of mobility problems in my arm and shoulder after the mastectomy.

By the time all this was finished it was November – I'd had 10 months of intensive treatment. The situation had affected my whole family. While for me it was a matter of putting one foot in front of the other and getting on with it, in some ways it was harder for them, especially my husband Alastair because he felt he couldn't do anything.

An experience like this changes you and we both realised we wanted something different from life. I loved my job but we wanted choices, or rather the financial freedom to give us choices – to work or not work, to retire early if we wanted to, just to have options about what we did.

The following January my husband was made redundant and we went travelling for three months while deciding what to do next. We can't be very creative though because we didn't have any light bulb moments during those three months! So after one more operation when we got back, I returned to work in my consultancy role again.

We were back on the merry-go-round, managing to save but not sure what to do with those savings. Then a couple of years later Alastair was motivated by the **Rich Dad Poor Dad** book. We now understood saving vs investing for passive income.

DISCOVERING PROPERTY

The notion of property was not new to us. We had been buying, renovating and selling for years though living in the properties while working on them. I'd also become an accidental landlord ten years earlier.

We thought BTL would be the answer and built up a portfolio of single let houses and flats around Woking (near home) quite quickly. But as time went on we saw lots of apartment buildings going up and thought they would affect the rental market.

We also discovered that BTL is a slow road. We both wanted the option of not having to work, and it wasn't happening fast enough. The portfolio just about covered my income but not Alastair's so it was time to rethink – we didn't want to have to wait another few years to reach our goal. There had to be a better way.



BUILD-TO-RENT — THE ANSWER?

We went to a property exhibition at ExCel in 2017 to get some inspiration, each of us going to different seminars to see what was available.

Because we both have a financial background, we're quite sceptical. Neither of us had done any property training before and we couldn't get enthusiastic about what was on offer. Towards the end of the day however, Alastair found White Box and spoke to Lloyd Girardi and decided there and then to go on his one-day course on build-to-rent.

The concept made complete sense to us. We went on to do their three-day course and worked out that we could scale up what we were doing by developing five to ten units at a time instead of buying one at a time.

THE CHALLENGE OF FINDING THE RIGHT SITE

I was still working in the consultancy but threw myself into searching for development opportunities during evenings and weekends. I found lots of sites and ran them through the spreadsheet analyser we had received on the course and modified to fit our own criteria.

Our search patch was large, a radius of about 40 miles around Woking, but we eventually realised this was too broad because build costs varied massively from one area to another. We narrowed it down to cover Reading, Wokingham, Woking and Basingstoke.

The next step was to find out the build costs within this narrower area. I spoke to lots of people including builders and a quantity surveyor, and used an online estimating tool to get an idea of costs. From all that I came up with an approximate build cost. It wasn't anywhere near as good as getting a quote from a builder for a specific project, but good enough to give us a ballpark figure.

I also discovered that property is a numbers game. We had started looking for new build sites only but eventually widened the net to include large houses that could be converted. From the hundreds of sites that I found and analysed, there were a few potential projects. In many cases though, vendors were unrealistic about prices; it was difficult to find one that worked and to get the deal accepted. I learned lots about planning at this point too, by referring potential deals over to Jon McDermott (Town Planning Experts) to check over.

Early in 2018 my consulting contract came to an end and I went into property full time. A couple of months later, we had two offers accepted. Despite deciding on our Berkshire patch, these sites were on the South Coast in Hampshire. We were drawn to this location because we love the sea, we knew the area because Alastair's parents live there and we were also looking at collaborating with Jon who is based in that area.

We walked away from the first of the two projects due to a bat issue, which would have caused the project to take too long. The second was a lovely house overlooking the sea that we planned to convert into 11 flats. I spent six months working on the deal and the plans, then it all came to nothing because the neighbours put a ransom strip on the shared driveway. That killed the deal.

In spending so much time and effort on that one deal, I had stopped searching for others so did not have a pipeline of deals built up. We were at a standstill and had to start again almost from square one. It was frustrating.



COMBINING FINANCE, IT AND PROPERTY KNOWLEDGE

Throughout my career I have managed and implemented IT projects for finance functions over several corporations, many of whom were FTSE100 international companies.

My focus and passion has been in improving processes and efficiency to help companies manage credit risk better and use less resources. My projects have saved corporations millions of pounds because they got cash in faster and more efficiently as a result. My roles have encompassed the whole order-to-cash life cycle. In short, I understood processes, finance and IT systems.

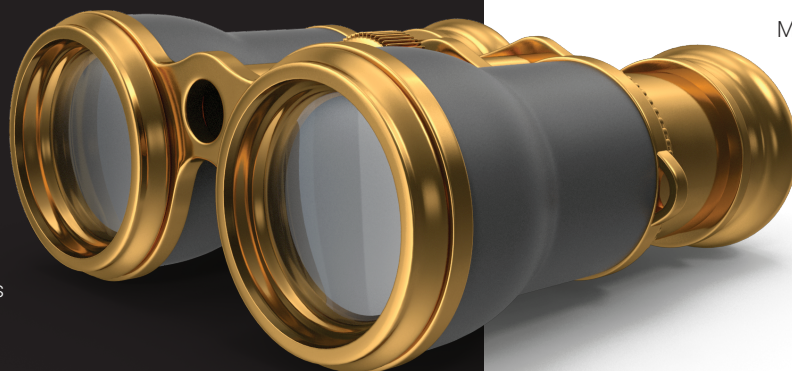
SPOTTING A DIFFERENT OPPORTUNITY

A few months later, in 2019, Jon invited me to assist delegates as a sort of financial mentor on his bootcamp in Malta. In addition to my financial background, he had seen me churning through and analysing the numbers on so many sites and I had honed the skill of being realistic about what it took for a deal to work financially.

Some were very competent on the numbers and had their own way of analysing deals. Others though wanted a sounding board or were doing "back of a fag packet" calculations, and I found that many of the sites these people were looking at didn't stack. They were making offers on properties where I could see they were going to lose money.

The numbers don't lie. It's vital not to put your head beneath the sand about the finances. People can get emotionally involved or see so much potential in a property that it's disheartening then when the numbers don't work. But massaging them to make it work is a dangerous route.

I came away from the bootcamp determined to create a calculator to help developers run through some numbers quickly and avoid wasting time on deals that wouldn't work. They could instead focus on the ones where they could make a decent profit.



Finally I had the lightbulb moment – why couldn't I help property developers benefit from the technologies that I had implemented in the corporate environment?

My experience enabled me to put the process flow steps of analysing a development into a logical sequence. Those steps could then be built into technology. I couldn't believe it had taken me so long to come up with this idea. I had been so focused on finding a development project that I hadn't put the two things together.

I got to work right away on designing a system for a new online platform and app with a calculator and built-in workflow management, and on finding software developers to code and build it. We launched the Property Developer's Assistant, MyPDA, app on 27th January 2020 – as you recall, a very significant date for me.

MyPDA does what it says on the tin. A data source feed, based on criteria that you set, creates a "tile" for the property. From that tile you can create a project for a property of interest.

"One of my main objectives for the app was to help investors churn through potential deal sites faster."

All the relevant information is dragged in from the listing and you then store all your information in that one place. With the help of the QDA, a Quick Deal Analyser, you can get a rough, broad brush potential profit figure for the scheme you have in mind and if it doesn't work, you can move on quickly. It's a big time saver.

One of my main objectives for the app was to help investors churn through potential deal sites faster. If you only look at 10 per month, your chances of success are much lower than if you're going through 100 or 200 per month.

We joined forces with Lloyd and Andi (from White Box) on this venture because even though I went part way down the development route, my path changed when I started to work on the app. They have been there and done it, they have so much experience and can provide a strong perspective on the development side. Our vision and ethos about helping developers were in line so it made sense to collaborate.

As MyPDA's free version, 'MyPDA Lite', approaches its first anniversary we are excited to be launching a new level, 'MyPDA Pro', encompassing lots more financial and analytical detail that will be a significant game changer for developers, particularly those looking for detailed due diligence for their projects. MyPDA Pro launches any day now, bringing me full circle back to that significant date – but this time on a much happier and more positive note!

CONTACT

W mypda.co.uk
E clairesheehan@mypda.co.uk





MYPDA ILLUSTRATION

Sites often don't work because the vendor's asking price starts too high. MyPDA gives developers the tools to see what the deal is really worth, as demonstrated in this illustration below.

Vendors don't usually consider things like stamp duty, warranties, selling fees, finance costs etc, and sometimes forget that the developer needs to make a

profit as well. It's too easy for developers (especially when new) to forget to include these types of costs but they can be the difference between the success and failure of a project. The app helps them minimise their financial risk by including these costs in the calculations from the outset.


MyPDA shows a realistic value based on what it has planning for or for what the proposed development might be. If the price advertised is the price you could pay in calculation B, sales would be quick!



PROPOSED SCHEME (AS PER ILLUSTRATION)

- **Strategy:** Build-to-rent
- Three-storey block of apartments, subject to planning permission
- Three one-bed apartments
- Three two-bed apartments
- Space for corridors/communal areas
- **Costs include:** build costs £130 per sq ft, 10% build contingency, 10% finance on all costs

Quick Deal Analysis Summary



Calculation A

The profit in this calculation is based upon purchasing the site for the Asking Price

Asking Price	£100,000
Profit Margin	11.13%
Profit Amount	£90,123

These figures are automatically saved once you close down this summary, you can view as required by going to the projects View History tab

Calculation B

Manually change the offer amount and select calculate to see how the profit changes.


Offer Amount

Profit Margin	20.63%
Profit Amount	£167,233

Calculate
Save

*Both calculation A & B are based upon your custom user settings, or as per the changes you made to the project at the time of running the QDA.

Quick Deal Analysis Summary



Calculation A

The profit in this calculation is based upon purchasing the site for the Asking Price

Asking Price	£100,000
Profit Margin	11.13%
Profit Amount	£90,123

Calculation B

Manually change the offer amount and select calculate to see how the profit changes.

Offer Amount


Profit Margin	20.63%
Profit Amount	£167,233

Calculate
Save

*Both calculation A & B are based upon your custom user settings, or as per the changes you made to the project at the time of running the QDA.

Project Summary

Project ID	PROJ5F0668B8B8
Project Name	Northampton Chelmer Car Park
Project Address	Chelmer Walk - Car Park, Northampton NN1
Date Created	12-01-2021
Asking Price	£100,000
Seller/Agent Name	Drake Commercial
Seller/Agent Contact	+44-01604319653
Seller/Agent Email	
URL	https://www.pocpla.co.uk/r/s...



The Proposed Scheme

Back to list

Unit of Measure for Calculation	: Square Foot
Total Gross Internal Area	: 3,800.00
Total Build Cost	: £343,400
Project Duration (in months)	: 12
Exit Plan	: Hold Buy to Let
Number of units to Build	: 6
Number of units to Sell	: 0
Other Costs	: £0
Exit Plan	: Hold Buy to Let
Number of units to Build	: 6
Number of units to Sell	: 0
Other Costs	: £0
Gross Development Value (GDV)	: £810,000

DESIGNED TO HELP YOUR BUSINESS *Grow*

SIMON CLEMENTS

Design can help you create a solid brand and make the most of your marketing, and the importance of getting it right should not be underestimated.

In this article, YPN's very own veteran creative designer **Simon Clements** discusses why investing in design, and getting it done right, is an important stepping stone to help your property business grow to new heights.

Over to Simon ...

GRAPHIC DESIGN ...

Many people, in my experience, think of it as just making things look pretty.

Whilst making assets look visible and aesthetically pleasing are a small part of it, there are many more elements of professional design than many business owners realise.

Here are some of my key points of how design, done right, can benefit your business and help its growth.

“If you think good design is expensive. You should see the cost of bad design”



1 GETTING YOU NOTICED

It's a busy world out there, with many different companies vying for the same visibility and attention that you are.

Therefore, it is imperative that you stand out from the crowd, which is where great design comes in.

By delivering your message in a way that is creative, structured and on brand, your business will gain maximum impact and ensure that you stand out. This of course, can lead to engagement and subsequently sales.

“You can be the best at what you do.

But if people don't know about it, it's irrelevant”

2 LOOKING THE BUSINESS

The truth is that yes, you can create your graphics yourself or by hiring a 'bargain designer', and these options can have their place, **BUT** the reality is that it is going to look like it has been done 'on the cheap'.

Investing in design, and getting it done in the right way, through correct processes, will make you look much more professional and give you more credibility with your potential clients. It's great that you think it looks good, (it really is important that you are happy with it, as it is after all, **YOUR** business) **BUT** it needs to work in the correct way too.

FIRST IMPRESSIONS COUNT

Make sure you're making the right one.



3 CONSISTENTLY CONSISTENT

Marketing isn't a 'throw all of your eggs in one basket' situation. You need to be ever present and shout about yourself and your services across many channels. Your design should be consistent across everything that you do, with your aim being to make your brand instantly recognisable – think McDonald's, and the Golden Arches. This brand consistency will keep you in the mind of your audience, so they recognise your brand and what it stands for, and will think of you when they need you.

Yes, you can hire a professional designer for a one-off job, but by finding the designer that works for you and fits with your values and vision, this will allow you to build up a relationship. Here is where the value really speaks for itself, as working alongside a designer for all of your design needs for your company allows them to get to know your brand. Having a designer that really knows your company and its core values, and most importantly, how to get those across to your audience, will in turn bring ... You've guessed it: **Brand consistency.**

4 GET YOUR MESSAGE ACROSS

So, you have a great product or service. You know what you need / want to say, but for whatever reason, it doesn't come across the way you would like it to, in an ideal world. If this is the case, unfortunately, it's likely that your brand and its message will be lost in translation.

As mentioned at the beginning of this article, design is so much more than pretty pictures. Knowing how to structure a piece is vital to ensure that whatever message you are trying to convey is obvious to potential customers and clients. This is just one of the ways in which a creative professional can benefit your business and its marketing.

It's also worth mentioning that different ways of promoting your business need to be approached in their own way – for example, facebook banners, billboards etc – in order to make the most of them. A designer will know how to make use of different media and will guide you through the creative process, to ensure that the outcome suits the purpose.

5 PROUD & POWERFUL

One of the main objectives with every project that I undertake, is for the client to love the end result. That said, there is nothing better than a client who, upon completion of a project for them, also has a new found love for their business as a whole, and feels re-energised to push forward with their brand!

In the longer term, It gives you a chance to imagine new products, new services, new ways that the business can grow – and that will make anyone feel pretty good about things.

Combine this pride in the business brought about through professional design with your passion and



drive for your business – now that's pretty powerful.

In short, if the end result is something that we can both be proud of, it's a win win!



So there you have it, my top insights into why design shouldn't be overlooked as part of your marketing.

I hope I have shown why you should consider investing in getting it done right, and the benefits that this will bring to you and your business.

ABOUT SIMON

Simon is owner of SC23 Creative and has been part of the YPN team since day one, creating the magazine that you are reading right now.

He is passionate about helping businesses realise their full visual potential and help them get seen, in the right way!



You can find out more about Simon and SC23 Creative at www.SC23.co.uk.

If any readers would like a free, no-obligation consultation to discuss where you are and where you could be with your design output, feel free to contact Simon by emailing Simon@SC23.co.uk or calling 02477 360058.



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CLUBHOUSE

Are you in?

By Michelle Cairns

Shaking up the way our property community is interacting, an invite-only audio app is on the scene to rival the big social media giants and podcast platforms.

Imagine switching on the radio and overhearing conversations between top property experts — the kind of people you would normally find in this magazine and in the global spotlight. Then imagine pressing a button, jumping into the conversation and asking a question!

This app is something different not just because of the nature of the live audio-only content but the interaction between members. For the first time you are seeing big names on these virtual stages, such as Gary Vee and Rob Moore sharing their ideas in a live and open forum, similar to that of podcasts, but one of the key elements is the opportunity to engage with these multimillionaire entrepreneurs. Gary Vee says: "Clubhouse is wildly, wildly underrated..."

most people don't know about the app yet. I'm very fond of Clubhouse, it replicates real life, what if like 20 people got together at a dinner party and ... everybody got to listen to it. It makes sense why it is working; I love the audio format, I think a year from today a lot, lot, lot more people will be on it."

"Property is not just about houses, but finance, marketing and business. And this is a place you can learn what the best in the industry are doing right now."

What surprises me is the openness with which they are willing to take questions, live, and share their thoughts. In a time of the country's closure, restrictions and social shut down — this platform offers a new opportunity to connect, with the chance for quality content and social cohesion that has brought much dynamism and excitement to what has been a grim start to the year for many amidst the lockdown.

What a great platform to very quickly create a space for your niche and find your tribe. One of the joys of this app — still in its early beta stage — is that because it's so new there are no adverts yet and no way to message other members, so there is an element of being burden free from another messaging app — however of course this is bound to change as it grows.

Watch this space to see how the app unfolds, but for now it's worth checking out who is on there and following key people in our industry who are hosting some thought-provoking conversations.

Where else would I have the opportunity to ask the likes of Daniel Priestley, Rob Moore and Gary Vee a question with instant answers and a mastermind-style discussion with a peer group of that level without paying thousands of pounds?

Like anything there are downsides: some people like a platform to hear the sound of their own voices and others will use it to push a hard sell and pitch. As the app gains more publicity and opens up the doors to more users there will be more people in the 'rooms' and the noise may drown out the gold. This app suits anyone who is more auditory and a fan of networking, however be aware that because it meets some of our key basic human needs of connection, variety and significance it can be super addictive! Let's see how it unfolds, but for now it has certainly given me some interesting golden nuggets that are immediately actionable.

Top tip — If you're waiting for an invite be proactive, ask around and offer to pay the one you get when you join, forward.

ROB MOORE

Clubhouse The Next Big Social Media Platform:



I've been obsessing in Clubhouse for 2 weeks straight, and it looks like I've built the 2nd biggest entrepreneur following in the UK (accidentally). Gaining up to 1,300 new followers a day and connecting with some huge names. Enjoying it too. This is **BLOWING** up. It's vital you get in on it **NOW** to get early mover advantage. You could grow a huge organic following (1,300 a day would cost you £7k+ in marketing budget!). Huge influencers are answering their DMs. Never seen anything like it. [@robmoore](#)

ARSH ELLAHI

Clubhouse has taken the property space by storm. Investors have flocked to the new platform where they can listen to speakers from all around the world share their property / real estate experience. Influencers have enjoyed a new worldwide audience to build on their existing base. Imagine listening to an open mic podcast where the topic can go anywhere depending on who is in the room — listeners can get involved however already we can see some influencers are trying to monopolise the platform by restricting who speaks in their room. At present only Apple users can access this but it is certainly a space to watch as they open out to Android. [@arshellahi](#)



SARAH POYNTON

Clubhouse is one of the most magnificent ways to build an audience we have seen as marketers in a long time. Its beauty is that we are all on a level playing field. People that are almost impossible to connect with on other platforms are all of a sudden available. The risk is you spend hours and hours distracted by content and not working on your business. The opportunity is that you can host rooms and give yourself a platform for your audience (investors) to get to know you. I highly recommend being a creator on the platform to connect with new people. Don't just be a consumer of the content! [@sarahpoynton](#)



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Ashley Walker

MULTIPLE DEALS COMPLETED



ELITE PROPERTY
T R I B E



I'm proud to say that I am a part of the EPT. I initially started my journey back at the start of 2018 and I am now full time in property as an investor, sourcer and project manager.

I would recommend EPT to anybody who wants a no-nonsense approach to getting involved in property. Whatever your level of experience you can surely leverage Arsh's many years in property.

Lenka Benova

MULTIPLE DEALS COMPLETED



ELITE PROPERTY
T R I B E



I joined the EPT group in June 2020 and I have found the experience very exciting. Arsh is a very knowledgeable and patient mentor, he is able to explain things with such ease, that even a property newbie like me is able to understand and enjoy the process of learning. The fact that EPT training comes with a WhatsApp support group and that I can access it when I need advice is just incredible and I am really grateful to be part of this community.

Amanda Merrington

MULTIPLE DEALS COMPLETED



ELITE PROPERTY
T R I B E



If you are serious about property investing and want the most comprehensive and detailed property education (with no upsell), masses of support from Arsh himself as well as other EPT members with loads of experience, then look no further.

Arsh and the EPT are in a league of their own. The value you get is inestimable.

Alay Mehta

MULTIPLE DEALS COMPLETED



ELITE PROPERTY
T R I B E



Since I joined the mentorship program back in February, I grew my business of HMO R2Rs from 7 properties (37 rooms) to 17 properties (94 rooms) - with 100% occupancy.

Not only did I learn strategies and techniques, but also learnt to strengthen my confidence and belief that I can do it! Many thanks for your time and dedication to teach and guide us!

ELITE PROPERTY
T R I B E

Watch the webinar where I introduce you to the success stories and how they achieve their goal through the EPT.

[Bit.ly/EPTFreedom](https://bit.ly/EPTFreedom)

THE BUY-TO-LET MARKET OVERVIEW

BY CHRIS WORTHINGTON

This edition of the buy to let (BTL) market overview is the first of a series of three articles that will aim to provide research and information to guide investment strategies.

This month, the focus will be in where to invest with a comparison of locations for BTL investment in the UK. Next month the focus will be on the impact of trends in the UK economy on BTL investment. The final article will explore future strategies for investment in the current uncertain climate. Turning to the question of where to invest starting at city level. Where should BTL investors be going for a weekend break combined with researching the vitality of a city as a place to invest? Seven Capital, a leading UK property developer with a focus on regeneration, has published a list of the top ten cities to invest in UK property. It's based on a composite score taking into account house prices, average rental yields (the annual rent divided by the value of the property) and forecast house price growth in five years.

Birmingham topped the league table with an average house price of £202,000, a rental yield of 5.4% and a forecast house price growth in five years of 14%. Manchester came second with corresponding figures of £242,000, 5.4% and 16%. Liverpool was in third place with figures of £187,000, 5.3% and 8.5%

The Seven Capital report also highlights the main regeneration projects and "success factors" in each city. In Birmingham, HS2 and the Midland Metro, in Manchester employment opportunities for young professionals and the hub of the Northern Powerhouse. In Liverpool, the Liverpool Waters scheme will transform the city's northern docks, regenerate a 60-hectare site and provide 17,000 new jobs. Liverpool also has some of the highest yielding postcodes in the UK with yields in postcode L1 of around 8%.

The "Buy to Let City Tracker" published by Aldermore Bank uses a similar methodology to produce a league table of places to invest, with the addition of the metrics of the lowest number of vacancies and the percentage of the local population in rented housing. Manchester is top of this league table with one of the biggest rental markets in the UK at 31% of the housing and low vacancy rates. Seven of the top ten locations are in Southern England including Oxford (4th), Brighton (5th) and Bristol (7th). Wales appears to be less appealing for BTL investors with Newport (49th) and Swansea (50th) at the bottom of the league table. However Cardiff performs reasonably well at 27th place, boosted by the benefits of being a capital city.

The Aldermore buy to let city tracker found that some of the highest yields are in Yorkshire including Hull (9.2%), Barnsley (7.9%) and Doncaster (7.9%). Jon Cooper, head of mortgage distribution at Aldermore commented: "The buy to let city tracker shows that across the UK there are still great short and long-term gains to be had with a number of towns and cities providing excellent rental yields with room for capital growth. The changing needs of renters, whether moving to a new location or a different type of property to fit flexible working demands, has created investment opportunities for landlords."

London has some of the lowest yields in the UK primarily because of the high house prices, especially in central London. The high house prices have caused home owners to move to the outer London suburbs or even further out to towns such as Bracknell, St Albans, Sevenoaks and Basingstoke. A recent article in The Observer newspaper highlighted Winchester, Exeter and York as new property hotspots for people leaving London. Demand is also on the rise even in more distant locations such as North Norfolk where the train journey to London via Norwich has a journey time of around three hours.

The significant trend towards moving out of central London to the outer boroughs or to the above commuter towns will place an upward pressure on house prices and rents in those locations providing new opportunities for BTL investors. The arrival of Covid-19 has enabled many people to work from home. This seems likely to continue giving a further boost to the return on investment. Whereas in London, according to the latest Rental Market Report published by Zoopla, average rents are falling and the annual growth in house prices at 2.1% is below the UK average of 2.6%.

(Source: UK House Price Index published by Hometrack.)

CONCLUSIONS

Many BTL investors invest only in their home town or city but on above evidence, they should be considering looking at other possible locations. And this principle applies across the UK especially for investors aiming to build a portfolio.

However there are always variations in house prices, rents and yields even within a relatively small geographical area, and the first step for many investors will be to look closely at these before looking further afield.

Yields are a key metric for BTL investors and again, there is considerable variation within towns and cities and across a region. Investors should do the math and work out the yields for possible new investments. In the long term, the forecast capital growth becomes a more important consideration and property in major regeneration areas should do well in that respect.

The housing market in London is arguably a special case, with very high house prices and rents especially in prime central London. The flight to the suburbs and beyond has been reinforced by working from home, and the housing and jobs markets in provincial cities is also likely to be affected by the trend towards moving out of city centres. Time for BTL investors to head for the hills?

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



MORTGAGE UPDATE

By **Stuart Yardley** of Trafalgar Square Financial Planning Consultants

As we start this year under tighter restrictions, we are receiving a clear message from lenders that it is business as usual. Lenders, and more importantly physical valuations, are still taking place.

Lenders now have the processes in place to continue current lending, and we haven't seen a negative impact on rates or criteria in the market, which is good news for investors.

The valuers have strict protocols for physical viewings, so it's important that you are aware of them if you have a valuation being carried out during this period.

APPOINTMENT BOOKING RISK ASSESSMENT

As part of the initial risk assessment, the property occupier will be asked the following three questions:

1. Are all members of the household happy for us to attend, or does anyone have any concerns?
2. Is anyone in your household, or anyone being met at the property isolating, in quarantine, showing symptoms, vulnerable, shielding, over 70, have underlying health issues or pregnant?

If yes to number 2, above the booking will not be progressed and the case will be put on hold until safe to complete. The booking clerk will set a call back for after the date when the isolation period has ended.

Before the inspection you will receive a call from the valuers advising of the following property inspection protocols:

1. Only fit and healthy surveyors will attend and they will be wearing full PPE.
2. The occupier will be asked to vacate the interior of the property during the valuation/survey and the valuer will confirm the likely time required to complete the inspection of the property.

3. If occupiers wish to remain in the property, they will be requested to remain in one room for the duration of the inspection, moving to an alternative room for the surveyor to then complete the inspection.
4. The occupier must open external windows and doors where possible to maximise property ventilation prior to and during inspection.
5. The occupier is to ensure all the internal doors (including meter, boiler and hot water cylinder cupboards) and the loft hatch are opened prior to inspection.
6. All pets should be removed or secured prior to inspection.
7. Social distancing rule (two metres/six foot) to be mutually respected at all times or the inspection may be aborted.

We have also had a few lender updates, with Foundation Home Loans improving their product ranges and Precise Mortgages launching a range of Winter Warmer limited edition products.



Foundation Home Loans

Foundation Home loans are a specialist lender who have ranges of products for investors financing in personal names or through a limited company and will lend on single family lets, HMOs, short-term lets and multi-unit blocks. They have a tiered product range available for any investors with historical credit blips. Also available are options at 80% of the purchase price/loan to value.

They have also launched some fee-assisted remortgage limited company products, which is great news as this reduces the fees involved in with limited company refinances.

Here is an overview of some of their new rates:

LIMITED COMPANY

REMORTGAGE ONLY

75% of the valuation

- 3.54% 2-year fixed – 1% arrangement fee added
- 3.74% 5-year fixed – 1% arrangement fee added

65% of the valuation

- 3.34% 2-year fixed – 1% arrangement fee added
- 3.59% 5-year fixed – 1% arrangement fee added

All of these options come with a free valuation, £250 cashback on completion and no application fee.

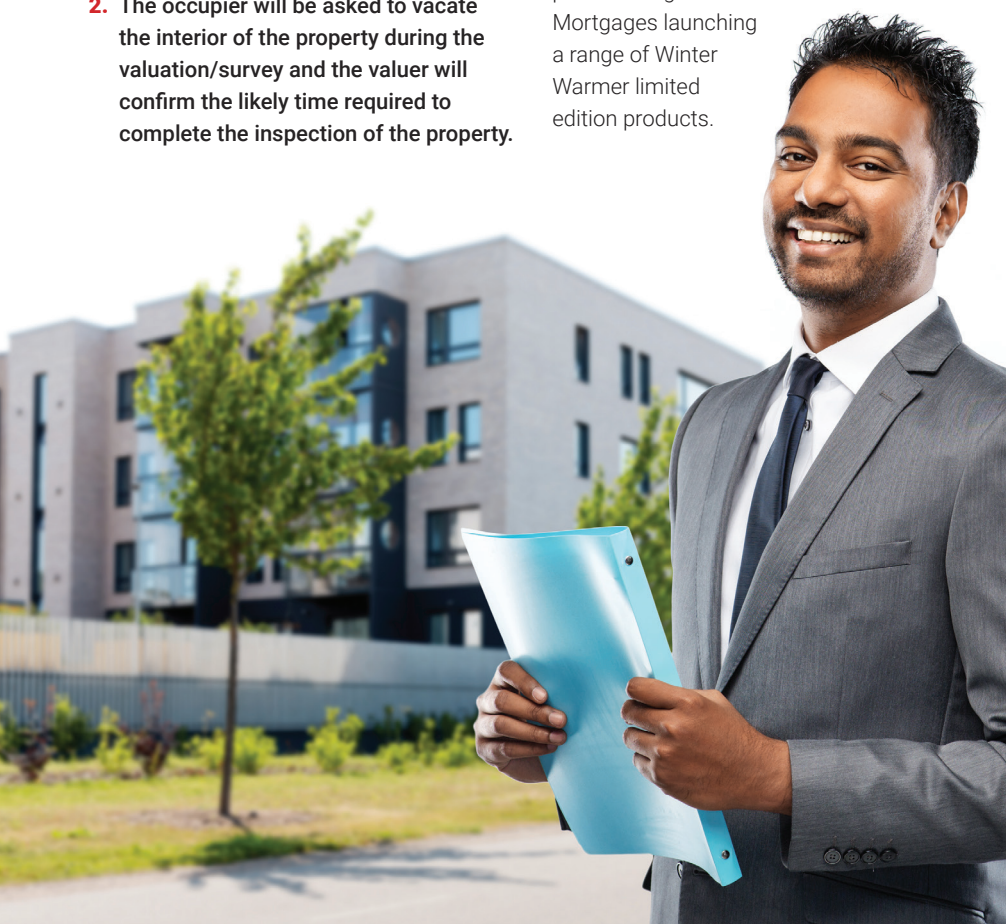
PURCHASE AND REFINANCE PRODUCTS FOR LIMITED COMPANY SINGLE FAMILY LETS INCLUDE:

80% of purchase price/valuation

- 4.09% 2-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable
- 4.59% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable

75% of purchase price/valuation

- 3.24% 2-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable
- 3.54% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable



Another couple of products that stand out are the options for a remortgage within six months' ownership, as well as a five-year fixed product where you are only tied in for three years with early repayment charges.

EARLY REMORTGAGE PRODUCT FOR REFINANCES WITHIN 6 MONTHS' OWNERSHIP

- 3.65% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable

5-YEAR FIXED WITH 3 YEARS' EARLY REPAYMENT CHARGES

- 3.69% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable

HMOs UP TO 6 OCCUPANTS

75% of value/purchase price

- 3.44% 2-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable
- 3.74% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable
- 3.85% 5-year early remortgage fixed – 2% arrangement fee – £125 application fee – valuation fee payable (available for remortgages within six months' ownership)

SHORT-TERM LETS – AIRBNB, ETC

75% of value/purchase price

- 4.14% 2-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable
- 4.79% 5-year fixed – 2% arrangement fee – £125 application fee – valuation fee payable

As you can see, they have a strong proposition with options for many different types of property and circumstance.

Some headline key criteria:

- **£75,000 minimum valuation**
- **No minimum personal income**
- **Lending in England and Wales**
- **Up to four applicants/directors**
- **Limited companies must be property SPV**
- **Short-term lets must also cover the standard rental stress test rates for a single family let**

If you have any questions or individual properties you would like to discuss with me, please give me a call or send me an email.

PRECISE MORTGAGES

Precise have launched some Winter Warmer fixed-fee products to their range that are ideal for larger loans and limited companies.

HMOs OF UP TO 6 BEDROOMS

75% of the purchase price/valuation

- 3.39% - 2-year fixed – £2,995 product/arrangement fee added to the loan
- 3.69% - 5-year fixed – £3,995 product/arrangement fee added to the loan

LIMITED COMPANY SINGLE FAMILY LETS

75% of purchase price/valuation

- 3.39% - 5-year fixed – 2% product/arrangement fee added to the loan

As you can see, the market remains competitive. And with physical valuations remaining in place, it really is still business as usual.

LIMITED COMPANY MORTGAGE OVERVIEW

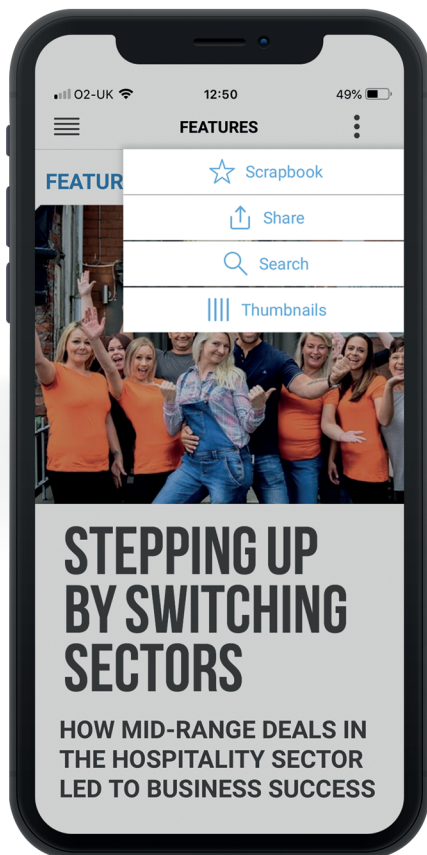
If you are looking at a limited company purchase or refinance, key to your options available will be the structure of your company. Each lender does have their own individual criteria on the directors'/shareholders' personal circumstances and company structures, so you will need to discuss with your broker.

LENDER	LOAN-TO-VALUE	PRODUCT	FEES
Kent Reliance	75%	3.04% 2-year fixed	2.5% arrangement fee, £145 application fee
Precise Mortgages	75%	3.14% 2-year fixed	2% arrangement fee
The Mortgage Works	75%	3.74% 5-year fixed	£995 arrangement fee, free valuation
The Mortgage Works	75%	3.34% 2-year fixed	£995 arrangement fee, free valuation
Paragon Mortgages	70%	2.95% 2-year fixed	1% arrangement fee, free valuation, £299 application fee
Molo	75%	3.00% 2-year fixed	1% arrangement fee - upfront
Paragon Mortgages	70%	3.34% 5-year fixed	2% arrangement fee, free valuation, £299 application fee
Precise Mortgages	75%	3.49% 5-year fixed	2% arrangement fee
Foundation Home Loans	75%	3.34% 2-year fixed	2% arrangement fee, £125 application fee

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



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PLANNING CHANGES

JON McDERMOTT

in 2021

2021 promises to be a year of change for the Planning System in England. We are (at the time of writing) waiting on the outcome of two consultations launched by the Government in 2020 which will see fundamental changes being brought into the planning system and more new permitted development allowances!

So in this first article of 2021 from me, I wanted to reflect on the major planning and permitted development changes that have happened in 2020 and where things might be going in 2021. Whilst this may seem a little tardy on my part, fear not dear reader as I was simply waiting on the result of the judicial review brought by Rights Community Action vs SoS to see whether we were going to be allowed to keep the new toys that the Government has given us. Happily, I can report that the Government won a judicial review! And all that I am about to report on is now permanent.

USE CLASSES

Looking at use classes first, the big change

in 2020 was essentially a big rollback of changes that had occurred since the C1950s' Use Classes Orders. Our long-established classes were rolled back into super-classes providing more flexibility to shift within class. The purpose of this change is to allow greater flexibility for properties to change use, primarily within high street locations, where planning policy still maintains the doctrine of shops first!

In summary your new use classes look like this:

Classes A1, A2, A3, A4, A5, B1(a,b and c) D1 and D2 are all deleted from the 1st September 2020.

Shops (not covered by the definition in F2), financial and professional services, restaurants and cafés, offices, research and development of products or processes, industrial processes compatible with a residential area, clinics, health centres, crèches, day nurseries, day centres, gymnasiums or area for indoor sports and recreations (excluding swimming pools and skating rinks) — these are now all Class E uses, and you do not need planning permission to move from a Class E use to another Class E use even if the building is within a town centre or conservation area.

Class B2, B8, C1, C2, C3 and C4 all remain as they were previously. (You can breathe now, HMO landlords!)

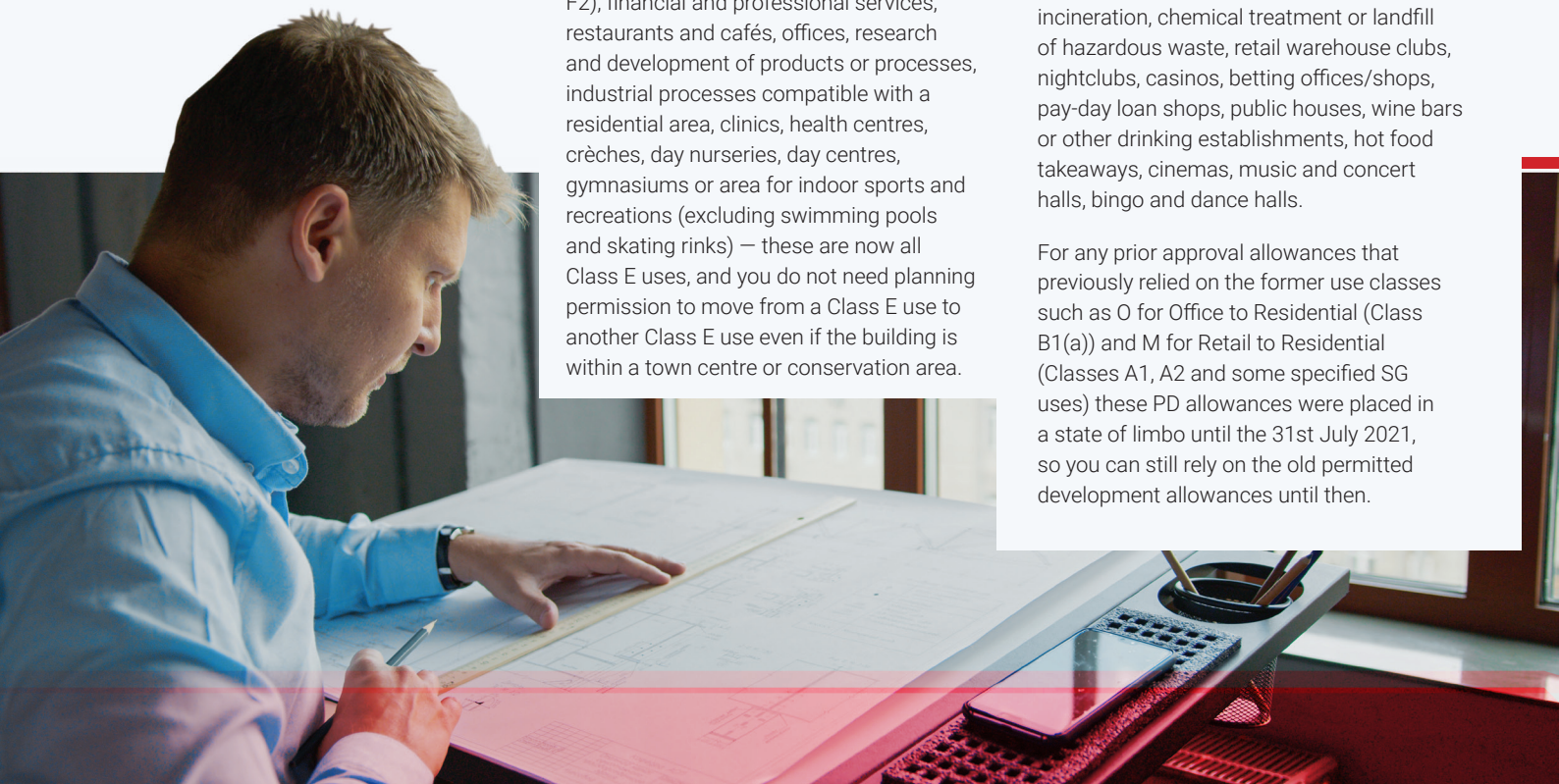
Learning and non-residential institutions, which is any use not including residential use, for the provision of education, the display of works of art (otherwise than for sale or hire), a museum, a public library or public reading room, a public hall or exhibition hall, or in connection with, public worship or religious instruction, a law court — all now fall within the new use class F1.

Local community uses, such as a shop mostly selling essential goods, including food, to visiting members of the public in circumstances where (i) the shop's premises cover an area not more than 280 metres square, and (ii) there is no other such facility within 1000 metre radius of the shop's location; a hall or meeting place for the principal use of the local community; an area or place for outdoor sport or recreation, not involving motorised vehicles or firearms; an indoor or outdoor swimming pool (don't understand this one); or skating rink (really don't understand this one!) — these all now fall within class F2.

The Sui-Generis bucket of uses for buildings that do not fall easily within a prescribed use class is expanded to a full shipping container of uses including:

Theatres, amusement arcades/centres or funfairs, launderettes, fuel stations, hiring, selling and/or displaying motor vehicles, taxi businesses, scrap yards, or a yard for the storage/distribution of minerals and/or the breaking of motor vehicles, 'Alkali work' (any work registrable under the Alkali, etc. Works Regulation Act 1906 (as amended)), hostels (providing no significant element of care), waste disposal installations for the incineration, chemical treatment or landfill of hazardous waste, retail warehouse clubs, nightclubs, casinos, betting offices/shops, pay-day loan shops, public houses, wine bars or other drinking establishments, hot food takeaways, cinemas, music and concert halls, bingo and dance halls.

For any prior approval allowances that previously relied on the former use classes such as O for Office to Residential (Class B1(a)) and M for Retail to Residential (Classes A1, A2 and some specified SG uses) these PD allowances were placed in a state of limbo until the 31st July 2021, so you can still rely on the old permitted development allowances until then.



CHANGES TO EXISTING PERMITTED DEVELOPMENT ALLOWANCES

The existing prior approval allowances were altered in 2020 in order to take into account the results of some rather dodgy applications. The biggest changes of note are below:

- **Natural Light** — All of the prior approval allowances for new dwellings had Natural Light inserted as a material consideration in order to combat those applications that saw windows to bedrooms and living spaces as optional extras!
- **The National Standards** — All of the permitted development allowances that create new dwellings will now be subject to the National Floorspace Standards. This will affect any application made after 6th April 2021 and is in order to address wide ranging concerns on flats that are below the national minimum threshold.
- **Internal floorplans** — All prior approval applications must now be supported by internal floorplans that outline the room layouts and position of windows.
- **Oh, and Class PA** — Light Industrial to Residential — went the way of the Dinosaur in 2020!

NEW PERMITTED DEVELOPMENT ALLOWANCES

In 2020 the householder PD allowances were expanded and we got a whole new part of the General Permitted Development Order ... Part 20!

For Householders

Householder allowances have now been expanded and include the provision (through prior approval) under Class AA for the enlargement of a dwellinghouse (not HMOs) by construction of additional storeys. That 'not HMO' part is important as the provision expressly prohibits an existing HMO using these allowances and prohibits the extended house going to an HMO under PD as well.

There are obviously detailed restrictions on exactly what you can do but the headline provisions are that:

- **You may build a single additional storey plus a roof on a single-storey house and up to two additional storeys plus a roof onto a two storey house.**
- **The building must not be within a heritage asset, Area of Outstanding Natural Beauty (AONB), wildlife protection area, The Broads, National Park, Site of Special Scientific Interest (SSSI), safety hazard area, military explosives storage area or within three kilometres of the perimeter of an aerodrome.**

- The allowance is for purpose-built houses constructed between 1st July 1948 and 28th October 2018 that have not been previously altered by the addition of another floor.
- There is a maximum height limit of 18 metres with further limits on roof height and new floor-to-ceiling height which naturally limit the overall height of the addition, however this is assessed on a site-by-site basis.
- The addition must be constructed on the main elevation with no external structures to hold it up and no other works other than to strengthen existing walls or existing foundations.

Suffice it to say that this is a prior approval application and the council is allowed to assess impact on any adjoining premises, design, air traffic and defence asset impact and impact on a protected view.

For Existing Building Owners

The new allowances for building owners allow for the addition of new dwellings to be built in the airspace above existing buildings and are set out within this article. Again, these are all prior approval matters and as such the council can consider a wide range of issues relating to the proposed development, which will include: transport and highways impact, air traffic and defence asset impact, contamination, flooding, the external appearance of the building, natural light, amenity impact, impact on a protected view and fire protection for buildings above 18m in height. In addition to these, internal floorspace will become an issue to consider after 6th April 2021. Broadly these PD allowances are similar, so I have attempted to summarise them below:

- **Class A – New dwellinghouses on detached block of flats**

Allows for the construction of up to two additional storeys of new flats on top of an existing detached block of flats, and any or all engineering works necessary, removal and replacement of plant, removal and replacement of services, removal and replacement of any means of access to and egress from the building, and installation of bin stores.

The building must be a purpose-built detached block built between 1st July 1948 and 5th March 2018 that is not a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives





storage area, or within three kilometres of the perimeter of an aerodrome.

New floors onto the front elevation with limits on roof height and floor to ceiling height and up to a maximum of 30m.

YOU MUST CREATE FLATS and you cannot change use to HMOs without planning permission.

No visible external supports, no new plant where none exists and no development beyond the land associated with the building.

- **Class AA – New dwellinghouses on detached buildings in commercial or mixed use**

Allows for the construction of up to two additional storeys of new flats on top of an existing detached buildings in commercial or mixed use, and any engineering works necessary, removal and replacement of plant, removal and replacement of services, removal and replacement of any means of access to and egress from the building, and installation of bin stores

The existing building must be in use as shops, financial and professional services, restaurants and cafes, offices, betting office, payday loan shop or launderette with or without flats.

The building must be a purpose-built detached block built between 1st July 1948 and 5th March 2018 that is not a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives storage area, or within three kilometres of the perimeter of an aerodrome.

New floors onto the front elevation with limits on roof height and floor to ceiling height and up to a maximum of 30m.

YOU MUST CREATE FLATS and you cannot change use to HMOs without planning permission.

No visible external supports, no new plant where none exists and no development beyond the land associated with the building.

- **Class AB – New dwellinghouses on terrace buildings in commercial or mixed use**

Allows for the construction of up to two additional storeys of new flats on top of an existing terraced buildings in commercial or mixed use, and engineering works necessary, removal and replacement of plant, removal and replacement of services, removal and replacement of any means of access to and egress from the building, and installation of bin stores

The existing building must be purpose built between 1st July 1948 and 5th March 2018 and in use as shops, financial and professional services, restaurants and cafes, offices, betting office, payday loan shop or launderette with or without flats above.

The building cannot be within a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives storage area, or within three kilometres of the perimeter of an aerodrome.

New floors must be built onto the front elevation with limits on roof height and floor to ceiling height and up to a maximum of 18m.

YOU MUST CREATE FLATS and you cannot change use to HMOs without planning permission.

No visible external supports, no new plant where none exists and no development beyond the land associated with the building.





- **Class AC – New dwellinghouses on terrace buildings in use as dwellinghouses**

Allows for the construction of new flats immediately above the topmost storey on a terrace building in use as a house. This provides for up to two additional storeys on a two or more storey house or one additional storey on a single-storey house.

And:

Any engineering operations necessary, safe access to and egress from the new and existing flats, construction of storage, waste or other ancillary facilities reasonably necessary to support the new flats.

The existing building must be purpose built as a house between 1st July 1948 and 5th March 2018 and not previously extended by means of an additional storey either through planning permission or Class AA (additional storeys to houses)

The building cannot be within a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives storage area, or within three kilometres of the perimeter of an aerodrome.

New floors must be built onto the front elevation with limits on roof height and floor to ceiling height and up to a maximum of 18m.

YOU MUST CREATE FLATS and you cannot change use to HMOs without planning permission.

No visible external supports, no new plant where none exists and no development beyond the land associated with the building.

- **Class AD – New dwellinghouses on detached buildings in use as dwellinghouses**

Allows for the construction of new flats immediately above the topmost storey on a detached building in use as a house. This provides for up to two additional storeys on a two or more storey house or one additional storey on a single-storey house

And:

Any engineering operations necessary, safe access to and egress from the new and existing flats, construction of storage, waste or other ancillary facilities reasonably necessary to support the new flats.

The existing building must be purpose built as a house between 1st July 1948 and 5th March 2018 and not previously extended by means of an additional storey either through planning permission or Class AA (additional storeys to houses)

The building cannot be within a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives storage area, or within three kilometres of the perimeter of an aerodrome.

New floors must be built onto the front elevation with limits on roof height and floor to ceiling height and up to a maximum of 18m.

YOU MUST CREATE FLATS and you cannot change use to HMOs without planning permission.

No visible external supports, no new plant where none exists and no development beyond the land associated with the building.





For Demolition and Rebuild

For those buildings that could not be converted, the Government introduced Class ZA of Part 20, which allows for the following exciting opportunities!

- **Class ZA – Demolition of buildings and construction of new dwellings in their place**

Demolition of a purpose-built and VACANT blocks of flats, offices, research and development and light industrial buildings (you cannot demolish an occupied building), and the construction of a purpose-built block of flats in its place together with demolition and construction, including a basement, removal and replacement of plant, removal and replacement of services, removal and replacement of any means of access to and egress from the old building, and installation of bin stores.

The existing and proposed buildings cannot be within a heritage asset, AONB, wildlife protection area, The Broads, a National Park, SSSI, safety hazard area, military explosives storage area, or within three kilometres of the perimeter of an aerodrome, and must have been built before 31st December 1989 with an external footprint of 1,000 square metres or less and no higher than 18m.

The building must have been vacant for more than six months and not in an unsafe condition.

The new building:

- **MUST** be on the same footprint as the old
- No higher than seven metres above the height of the old building or 18 metres (whichever comes first)
- No more than two more storeys higher than the old building.
- Floor-to-ceiling heights of a maximum of three metres, or the same as the floor below (whichever is smaller).

The determining issues are tantamount for a full application for development, and include:

- (a) transport and highways
- (b) contamination risks
- (c) flooding risks
- (d) the design
- (e) the external appearance of the new building
- (f) the provision of adequate natural light
- (g) the impact of the development on amenity
- (h) impacts of noise
- (i) the impact on business and new residents
- (j) the impact of the development on heritage and archaeology
- (k) the method of demolition of the old building
- (l) the plans for landscaping of the development
- (m) any — (i) air traffic and defence asset impacts of the development, and (ii) impact on a protected vista

FOR 2021 — THE SUPER E

If that was not enough excitement for one article, the Government gave us a hint of the new permitted development allowance they are proposing from the new range of Class E uses. We knew this was going to happen, as they have given a date of the 31st July to sort this out.

What is proposed at this stage is an amalgam of the existing Class O and M Prior Approval Allowances covering all of the uses within the new Class E (too many classes, McDermott must do better!). You can read what is being proposed at: <http://bit.ly/YPN152-1> and in summary, the new **suggested** allowance is set out below:

"Having first simplified the change of use in such cases, we want now to build on this providing further flexibility to allow this broader range of uses to change to residential use. This will support housing delivery and attract the additional footfall that new residents will bring. Current permitted development rights already provide for shops, financial and professional services, and offices to change to residential use, and these will continue to apply until 31 July 2021. We propose to draw these together into a single right that provides for the change of use from any use within the Commercial, Business and Service use class to residential (C3). This single right would provide clarity and greater planning certainty and support the delivery of a significant number of additional homes, developing brownfield sites and making effective use of existing commercial buildings and help to prevent them being left empty. All homes would be required to meet the nationally described space standards. This will come into effect from 1 August 2021."

More on this to follow as the consultation progresses.

So what did 2020 teach us? Based on what we already know, 2020 was a landmark year for changes in the planning system and 2021 continues this trend. It is clear that the Government's Build, Build, Build agenda seeks to use development and construction as a means to level up and drive the economy forward. How successful these allowances are will depend on how they are interpreted by councils and how well they are executed by developers.

Fundamentally, when any new allowance comes along we are being trusted with a new toy in the hope that we will not re-engineer it and I can only encourage developers to use these new and emerging allowances wisely.

It is, after all, far easier to take the toy away than it is to give it in the first instance.



Jonathan McDermott is a Chartered Town Planner, Principal Town Planner for TownPlanning Expert and educator with WhiteboxProperty Solutions on Property Developers Secrets and Property Planning Masterclass.



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CONSTRUCTION HEALTH & SAFETY

GRAHAM KINNEAR

Developers are always keen to get started on site. However pre-planning, particularly in respect of health and safety, is a critical part of the development process. While substantial improvements have been made in construction health and safety since the 2001 Construction Summit, it is sadly the case that every week one person is killed on a construction site and many more are injured or suffer health problems.

This number is still far too high and consequently I wanted this article to serve as a useful reminder for you to review your health and safety practices and take some time to see if you can make your projects even safer.

Compliance with health and safety has improved dramatically over recent years and it is now commonplace for site workers to wear hard hats, high visibility clothing and protective footwear. Beyond that, site staff need to be adequately trained in the role that they are to perform and the processes they undertake need to be safe. If you are unsure of your site safety obligations then you must take professional advice as the penalties for non-compliance are severe.



I would suggest you start with some of the recent guidance notices by the HSE including HSG150: Health and Safety in Construction. In addition, the Health and Safety Executive offer a helpline on 0845 345 0055 which you may find useful.

In addition to the safety of site personnel, it is also important that the site itself is safe and minimises the risks that could otherwise harm visitors to the site or passing members of the public. A twice daily walkthrough of your site should enable you to highlight any issues and put procedures in place to monitor or reduce risk.

Each site should have a **Construction Management Plan** produced that identifies all of the potential risks and deals with ways to minimise them and promote site safety. It is essential that such a document is produced, read and reviewed by all those who will be on site.

Among some of the main categories of your Construction Management Plan will be as follows:

Working at Height. Consideration should be given to access heights for safe working and also a consideration of the materials to be used and how they can safely be put into position. This could include weather conditions as well as ensuring operatives are using the correct equipment, be that a scaffold or a more portable scaffold tower. Generally the use of ladders for working at height is considered too dangerous in this modern world. For further information please refer to the Work at Height Regulations 2005.

Hazardous substances should also be considered as part of your Construction Management Plan. Depending on the building you are working on, you may encounter asbestos, lead, solvents or other hazardous substances during the construction phase, such as the dust created from kerb or paving cutting.



All of these risks need to be assessed and mitigated. Such mitigation measures could include the use of different materials or using tools fitted with dust extraction or water suppression. **Another useful reference material is Dealing with the Risk of Buildings published by the HSE.**

Another consideration could be the risks in terms of manual handling. There are many materials that go onto a site and great care should be taken during their movement. Heavy items over uneven ground at a location that the worker may not be immediately familiar with can enhance the risk levels. Consider the materials specified and see if there are any safer alternatives.

The foregoing is not, by any means, an exhaustive list. Indeed there are many risks on a construction site that should be considered. To achieve your health and safety goals, it may be prudent to employ a health and safety officer for the duration of your project. Such an appointment is often more cost effective than you may think and so is certainly something you should look into. A health and safety officer is trained to highlight issues that could present a risk and seek to reduce them to a level which is as low as possible.

Such an appointment will get you in the habit of regularly thinking about site safety and help you to analyse the various processes on site to ensure it is safe. From the arranging of regular scaffold inspections, to the ongoing training of site staff, to the management of traffic and deliveries, you should be able to prepare a thorough Construction Management Plan to provide all of your health and safety measures for a project. Works on site simply should not start without it.

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".





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RENT-TO-RENT

KNOW WHO YOU ARE WORKING WITH



By **Paul Shamplina** founder of Landlord Action and brand ambassador for Hamilton Fraser

As far back as 2013, I wanted to set up a rent-to-rent association so that the practice was more widely recognised and landlords and tenants could have greater reassurance that they were dealing with an accredited company. It is a very different setup to that of a letting agent and I do not believe it should be bundled together. The past year has really highlighted the disparities between a professional rent-to-rent company and a rogue, and I would urge landlords entering into such agreements to really carry out their background checks before proceeding.

The practice of sub-letting a residential rental property to another landlord or rent-to-rent company (sometimes referred to as guaranteed rent), is an arrangement that many property owners have found appealing and can benefit both parties.

The property owner can be a hands-off landlord but gets a guaranteed rent for the term of the contract, usually three or five years, and the property is guaranteed to be returned in good condition, all signed by the rent-to-rent company or middle landlord.

The rent-to-rent company gets to rent out the property as if they owned it and collect a full market rent from the tenants, paying the owner a lower sum, pocketing the difference. If the rent-to-rent company divides the house and lets out the individual rooms (effectively making it an HMO), the arrangement can be extremely lucrative. There are plenty of companies that offer an excellent rent-to-rent service, such as Northwood.

Unfortunately, it is also an area that is laden with problems and difficulties and it can be very easy for landlords to get caught out. I sit on the advisory council on the Property Redress Scheme and we have seen a significant number of complaints against guaranteed rent providers relating to service standards and non-payment of

rent to landlords. I have also highlighted some extreme examples in the latest series of "Nightmare Tenants Slum Landlords" on Channel 5.



Unless you are dealing with a reputable company, unscrupulous rent-to-rent companies are often very unreliable, dividing houses up into room sizes that do not meet minimum standards, operating without the correct HMO licences, failing to pass on rent to the property owner and not maintaining the property.

One landlord we have been working with has lost £40,500 in a guaranteed rent scheme through a rogue company.

Gulam Sumar handed over his two six-bedroom houses in Harrow to the rent-to-rent company in early 2017 in return for guaranteed monthly rent. Soon after, rent arrears started building up and neighbours at both properties were complaining about anti-social behaviour.

When Mr Sumar finally got access to his property he found stolen goods, credit cards and drug paraphernalia. There was also £24,000 worth of damage.

However, this is not the only way things can go wrong for landlords. Recent legislation has introduced something called a Rent Repayment Order (RRO), where a court can order a landlord to repay rent in compensation to a tenant where the landlord was letting the property illegally, for example without a licence.

Landlords who use rent-to-rent companies often assume that this would not be their responsibility but that of the middle landlord or rent-to-rent company. However, the *Goldsbrough & Anor v CA Property Management Ltd* case at The Upper Tribunal (Lands Chamber) (2019) demonstrates that this is not necessarily the case.

Two tenants filed a Rent Repayment Order because they discovered the absence of an HMO licence. The two tenants were entitled under the Housing and Planning Act 2016 to full repayment of their rent during the unlicensed period.

You would naturally assume here that the owners were well and truly out of it because they had sub-let to a management company that had taken on full responsibility, but no. Despite finding that the management company was in fact the landlord, the tribunal was faced with a challenge from the two tenants. They argued that the company was acting merely as an agent, and that the owners of the property were in fact liable.

The tribunal agreed with the tenants and held that the owners of the property were liable to repay the full compensation.

We have seen many landlords fall victim to rent-to-rent scams, particularly in London. Here are some important tips for landlords considering rent-to-rent:

- **Take great care when entering into a rent-to-rent arrangement unless you are certain the under landlord (rent-to-rent company) is reputable**
- **Legally the arrangement is complex and requires a water-tight commercial contract – an AST simply will not do**
- **Owners should seek legal advice before signing any sub-letting agreement**
- **Make sure the property is properly licensed and meets all the regulatory requirements for the intended use**

Landlords remember, we are on your side and here to help.

www.landlordaction.co.uk/eviction/take-action

Action Line **0333 363 8136**

COMPARE LIKE WITH LIKE

By David Lawrenson of
LettingFocus.com

Ensure you are comparing like with like when you are looking at the performance of different areas in terms of property prices over time. Often you hear people saying how much their property has gone up over time and how it is worth X% or Y% more.

BUT IS THAT REALLY TRUE?

A modern house or flat today is clearly a much better product than the house or flat of 20, 40 or 60 years ago.

Going back half a century, most properties would not have double glazing and many did not have central heating. Kitchens and bathrooms were very basic too.

Houses of yesteryear are nowhere near as comfortable as the houses we see today, having usually had a lot of money lavished on them since. So comparing a house or flat price with 50 years ago is a bit like comparing apples and pears. Both are fruits, but they are very different.

And this is also true when looking at house price trends over time by area.

There are many property portals where you can track how house prices have changed over time.

All you need to do is to enter a postcode or a town, select flats, terraced houses, semi-detached houses or detached houses, and then select a timeframe. You get a smart little chart showing the trend over time.



The information is, of course, compiled from data from the land registry for completed housing transactions, so tend to be a month or two in arrears.

On most portals, the charts will also show many transactions completed in each month, which is also useful. In months that were very quiet for house sales, like March to July 2020, the low numbers of transactions will make the average house price figure have less meaning and have less statistical validity. Some rural postcodes will have less transactions anyway.

In general, one is always best off looking at a trend over a year or so as the average house prices will tend to jump about a lot from one month to another, even when there has been a lot of transactions.

BUT THERE IS MORE TO WATCH OUT FOR ...

If an area has had a lot of new housing stock built over the time period you are looking at, and if that housing is also lot grander than what was there in that area before, this can make price comparisons over time of less use too.

A good example might be the area around Vauxhall and Waterloo in London.

If you take any train out from Waterloo main station towards Clapham Junction, you won't be able to miss the huge number of new tower blocks containing thousands of shiny new flats.

These relatively upmarket new-build flats built over the past twenty years – many sold to overseas investors – will be much more upmarket than the average of what was there before seven or fifteen years go.

This has changed the nature of the "average flat" in the area – and it means that when you are looking at a period from now to 15 years ago, a lot of the growth in house (or in this case, flat) prices has probably mostly been due to the new stock being much better than what was there before. In other words, you are not comparing like with like. It is the old "comparing apples with pears" problem again.

Looking at the past is always fun, but of more importance for any investor or landlord is what will happen in an area *in the future* and what sort of property you should you be buying now, either to let or to improve in some way to add value.

As an example, if we take the new-build flats outside Waterloo, it is my view that too many of the same type have been built. This will depress prices of these flats for the next few years.

The Great CoronaPanic will have made this problem worse – severely cutting demand for these properties as people increasingly opt to swap the centre of a dead city for the outer suburbs and shires. Plus, the demand from business and holiday travellers has been poleaxed too.

There are many factors to consider when investing for the long term in an area. Having an understanding of coming regeneration, the future state of the local economy, demographic changes and future housing supply are all things we teach our clients to look at. All this information is available publicly. No one needs a crystal ball.

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".



NETWORKING EVENTS

PLEASE NOTE - Due to the current COVID-19 pandemic, events will be online or may not be running, please check the meetings websites for up-to-date information

1 Blackfriars pin

4th Tuesday of the month

Host: Jo Jamison da Silva
www.blackfriarspin.co.uk

Kensington pin

2nd Wednesday of the month

Hosts: Abs and Adam Hassan
www.kensingtonpin.co.uk

Sutton pin

2nd Thursday of the month

Hosts: Peter and Johanna Lawrence
www.suttonpin.co.uk

Clapham pin

1st Tuesday of the month

Host: Paul Trowell
www.claphampin.co.uk

Canary Wharf pin

1st Thursday of the month

Host: Andrew (Rice) Holgate
www.canarywharfpin.co.uk

Croydon pin

3rd Wednesday of the month

Host: Elsie Ofili
www.croydonpin.co.uk

PPN London Knightsbridge

Leo Nova South, 160 Victoria Street
Westminster London, SW1E 5LB.

Hosts: Pippa Mitchell & Tej Singh
progressivepropertynetwork.co.uk/knightsbridge

PPN Blackfriars

Crown Plaza, 19 New Bridge St, London,
EC4V 6DB Host: Kevin McDonnell

progressivepropertynetwork.co.uk/mayfair

PPN London St. Pancras

Impact Hub, 34b York Way,
London, NW1 9AB

Hosts: Jamie Madill & Steve Mitchell
progressivepropertynetwork.co.uk/stpancras

PPN Monument

Brand Exchange Members Club, 3
Birchin Ln, London, EC3V 9BW

Host: Michael Primrose
progressivepropertynetwork.co.uk/monument

PPN Croydon

progressivepropertynetwork.co.uk/croydon

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

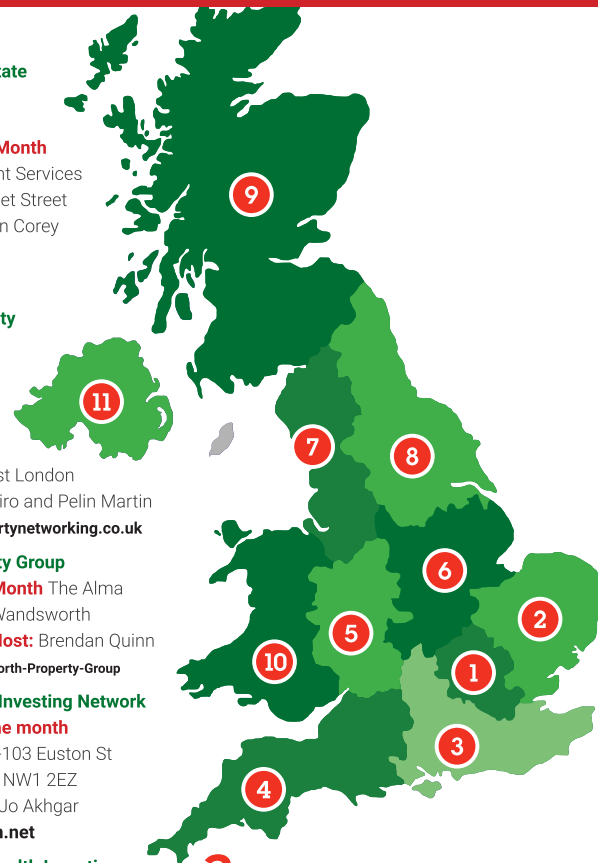
Property Hub Invest

1 Naoraji 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



2 Norwich pin

2nd Tuesday of the month

Host: Chris Jones
www.norwichpin.co.uk

Cambridge pin

4th Thursday of the month

Host: Christine Hertoghe
www.cambridgepin.co.uk

Essex pin

3rd Tuesday of the month

Host: Reegan Parmenter
www.essexpin.co.uk

PPN Ipswich

Holiday Inn, The Ravens, Ransomes, IP3 9SJ
Host: Halstead Ottley

progressivepropertynetwork.co.uk/ipswich

PPN Brentwood

Holiday Inn, Brook Street, CM14 5NF

Hosts: Sarah and Tony Harding
progressivepropertynetwork.co.uk/brentwood

Colchester Property Circle

2nd Thursday of each month - 7.30pm

The Greyhound Pub, High Street, Wivenhoe
CO7 9AH Host: Phil Sadler
<https://bit.ly/2Kld96t>

Essex Property Network

2nd Tuesday of the Month

Holiday Inn Brentwood CM14 5NF Host: Cyril
Thomas
www.essexpropertynetwork.co.uk

Harlow Property Network in association

with Premier Property Club

2nd Thursday of Every Month

The Day Barn Harlow Study Centre
Netteswellbury Farm (off Waterhouse
Moor) Harlow Essex CM18 6BW.
myproperty.coach

3 Eastbourne pin
1st Wednesday of the month
Host: Lee Beecham
www.eastbournepin.co.uk

Oxford pin
3rd Tuesday of the month
Host: Del Robinson
www.oxfordpin.co.uk

Basingstoke pin
4th Wednesday of the month
Hosts: Seb and Aga Krupowicz
www.basingstokepin.co.uk

Kent pin
1st Thursday of the month
Hosts: Martin and Sarah Rapley
www.kentpin.co.uk

Surrey pin
3rd Thursday of the month
Host: Karen Buckley
www.wokingpin.co.uk

Reading pin
1st Tuesday of the month
Speakers: Arthur Kemp & Richard Worrall
Hosts: Stephen and Julia Hollings
www.readingpin.co.uk

Southampton pin
1st Tuesday of the month
Hosts: Jon Woodman and Nigel Budgen
www.southamptonpin.co.uk

Berkshire pin
3rd Monday of the month
Hosts: Andy Gaught and Jonathan Barnett
www.berkshirepin.co.uk

Brighton pin
3rd Thursday of the month
Host: Peter Fannon
www.brightonpin.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

PDPLA 2nd Monday of the month
The Inn Lodge Burrfields Road Portsmouth PO3 5HH. 7:30
Host: Joan Goldenberg
www.pdpla.com

Partners in Property Southampton
1st Thursday of the month
DoubleTree by Hilton Southampton, Bracken Pl, Chilworth, Southampton SO16 3RB **Hosts:** Sarah Smith, Sam Beddoe, Karen Stanbridge
<https://www.partners-property.com>

Premier Property Club - Brighton
1st Thursday of the Month
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

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)
Solent View Room at Pyramids, Clarence Esplanade, Portsmouth, PO5 3ST

The Reading Property Meet
Last Thursday of each month
Grosvenor Casino Reading South, Rose Kiln Lane, Reading, RG2 0SN
Host: Adam Vickers
<https://bit.ly/2WLwMGs>

Brighton Property Meet
3rd Wednesday of the month 6pm onwards The Cricketers, 15 Black Lion Street, Brighton, BN1 1ND
Hosts: Niall Scott & Matt Baker
www.scottbakerproperties.co.uk

PEN Kent
1st Monday of every month, 7pm till 10pm Tudor Park Marriott Hotel & Country Club, Ashford Road, Bearsted, ME14 4NQ **Guest Speaker:** Kim McGinley (Vibe Finance) **Topic of Discussion:** Property Finance Made Easy
<https://bit.ly/2N3BLkM>

Kent Property Meet
4th Wednesday of the month
Mercure Great Danes Hotel, Maidstone, ME17 1RE
Hosts: Jazz Doklu & Chrissy Kusytsch
www.kentpropertymeet.com

4 Bournemouth pin
2nd Tuesday of the month
Hosts: Mike and Debbie Watts
www.bournemouthpin.co.uk

Bristol pin
2nd Wednesday of the month
Host: Nick Josling
www.bristolpin.co.uk

Cheltenham and Gloucester pin
3rd Tuesday of the month
Host: Phil Kiernan
www.cheltenhamandgloucesterpin.co.uk

Swindon pin
4th Wednesday of the month
Host: Leo Santana
www.swindonpin.co.uk

Devon pin
4th Thursday of the month
Hosts: Kevin and Sally Cope
www.devonpin.co.uk

PPN Bournemouth
The Ocean Beach Hotel & Spa, 32 East Overcliff Drive, Bournemouth BH1 3AQ
Host: Leigh Ashbee
progressivepropertynetwork.co.uk/bournemouth

PPN Bristol
Village Hotel - Bullfinch Close, Filton, Bristol BS34 6FG **Host:** Paul Duval & Paul Bennett
progressivepropertynetwork.co.uk/bristol

PPN Exeter
Sandy Park Way, Exeter EX2 7NN
Host: Traci Cornelius
progressivepropertynetwork.co.uk/exeter

PEN Wiltshire
Last Tuesday of the Month
Stanton Manor Hotel Stanton St. Quintin Near Chippenham Wiltshire SN14 6DQ
Host: Neil Stewart
www.penwiltshire.com

Professional Investment Group (PIG) - Plymouth
3rd Monday of the month
Boringdon Hall Hotel and Spa Boringdon Hill Colebrook Plymouth PL7 4DP
Host: Angelos Sanders www.pig.network

Bristol BMV Property Options
Last Thursday of every month
The Holiday Inn Bond Street Bristol BS1 3LE **Host:** Del Brown
www.bmvpropertyoptions.co.uk/
property-investment-meeting-pim

Professional Investment Group (PIG) - Cornwall
1st Monday of the month
The Alverton Hotel, Tregolls Rd, Truro, TR1 1ZQ **Hosts:** Angelos Sanders & Matt Pooley
www.pig.network

Torbay Free Property Meet
2nd Monday of the month from 7pm
Chelston Manor, Old Mill Rd, Torquay TQ2 6HW
Hosts: Ed Akay and Mel Richards
www.facebook.com/torbayproperty

Exeter Free Property Meet
First Thursday of the Month from 7pm
The Ley Arms, Kenn, Devon EX6 7UW
Hosts: Ed Akay and Keith Sparkes
www.facebook.com/exeterpropertymeet

5 Black Country pin
4th Wednesday of the month
Host: Philip Hunnable
www.blackcountrypin.co.uk

Worcestershire pin
1st Wednesday of the month
Hosts: Andy and Karen Haynes
www.worcestershirepin.co.uk

Birmingham Central pin
1st Thursday of the month
Interim Host: Dan Hulbert
www.birminghamcentralpin.co.uk

Birmingham pin
3rd Thursday of the month
Hosts: Kim Opszala and Neil Chaudhuri
www.birminghampin.co.uk

Stoke pin
2nd Wednesday of the month
Hosts: James and Jasmine Rogers
www.stokepin.co.uk

Coventry and Warwickshire pin
2nd Tuesday of the month
Host: Steven Ray
www.coventryandwarwickshirepin.co.uk

PPN Wolverhampton
The Cleveland Suite, Wolverhampton Racecourse, Gorsebrook Road, Wolverhampton WV6 0PE
Hosts: Liam McCullough & Joe Lane
progressivepropertynetwork.co.uk/wolverhampton

PPN Birmingham
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
The Saxon Mill, Coventry Road, Guys Cliffe, Warwick, Warwickshire, UK, 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

6 Leicester pin
1st Thursday of the month
Speakers: Paul Darvell & Linda Wright
Interim Host: Sébastien Buhour
www.leicesterpin.co.uk

Milton Keynes pin
3rd Wednesday of the month
Host: Reemal Rabheru
www.miltonkeynespin.co.uk

Nottingham pin
3rd Tuesday of the month
Host: Spike Reddington
www.nottinghampin.co.uk

Luton pin
4th Tuesday of the month
Host: James Rothnie
www.lutonpin.co.uk

7 Liverpool pin
4th Thursday of the month
Host: William Porterfield
www.liverpoolpin.co.uk

Chester pin
2nd Thursday of the month
Host: Hannah Fargher
www.chesterpin.co.uk

Manchester pin
3rd Wednesday of the month
Host: Julie Whitmore
www.manchesterpin.co.uk

PPN South Manchester
 The Stanneylands Hotel in Wilmslow,
 Stanneylands Road, Wilmslow, SK9 4EY
Host: Mike Chadwick
progressivepropertynetwork.co.uk/wilmslow

PPN Liverpool
 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>

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

9 Glasgow pin
2nd Tuesday of the month
Host: Arshad Ali
www.glasgowpin.co.uk

Edinburgh pin
3rd Thursday of the month
Host: Taimur Malik
www.edinburghpin.co.uk

Northampton pin
1st Thursday of the month
Host: Amelia Carter
www.northamptonpin.co.uk

Watford pin
2nd Thursday of the month
Hosts: Shack Baker and Waseem Herwiker
www.watfordpin.co.uk

Lincoln pin
4th Thursday of the month
Hosts: David Dixon and Paul Hastings
www.lincolnpin.co.uk

PPN Derby
 Nelsons Solicitors, Sterne House, Lodge
 Lane, Derby, DE1 3WD **Hosts:** Mike Alder &
 Jamie Hayter
progressivepropertynetwork.co.uk/derby

Manchester Property Investor
Breakfast 1st Friday of the month
(7.30am – 9.30am) Village Hotel
 Ashton under Lyne OL7 0LY
Host: Fraser Macdonald
www.meetup.com/Manchester-Property-Investor-Breakfast

Property Leverage Network Manchester
1st Tuesday of every month Chill Factore
 7 Trafford Way Urmston M41 7JA
Hosts: Andrew Wilcock & Gary Collins
<http://propertyleverage.co.uk/manchester>

Warrington Property Investors'
Meet Up 3rd Tuesday of the month from
7pm-9pm Olympic Park Unit 7 Olympic
 Way 1st Floor Birchwood Warrington
 Cheshire WA2 0YL (free parking)
Hosts: Patricia Li and Michael Hopewell
www.meetup.com/Warrington-Property-Investors-Meetup/

THE PROPERTY HUB
1st Thursday of the Month
<http://thepropertyhub.net/meetups>

Liverpool Punch Tarmey's Liverpool
 31 Grafton St Liverpool L8 5SD

Manchester The Bridge Street Tavern
 58 Bridge Street M3 3BW

Connect property network
1st Wednesday of the month
 Wychwood Park Hotel, Wychwood Park,
 Crewe, CW2 **Hosts:** Daniel Hennessy and
 Scott Williams
www.connectpropertynetwork.co.uk

Kieba Property Meet
2nd Monday of the month
 Crabwall Manor Hotel & Spa, Parkgate
 Road, Chester, CH1 6NE **Hosts:** Kieran &
 Dawn Toner - Kieba Property Ltd
www.kiebapropertymeet.co.uk

Property Leverage Network - Glasgow
4th Tuesday of every month
 Glasgow Pond Hotel Great Western
 Road G12 0XP Glasgow
www.propertyleverage.co.uk

PPN Northampton
 Hilton Hotel, 100 Watering Lane,
 Collingtree, Northampton, NN4 0XW
Host: Kim Hendle
progressivepropertynetwork.co.uk/northampton

PPN Leicester
 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

8 Harrogate pin
1st Wednesday of the month
Host: Diane Greenwood
www.harrogatepin.co.uk

Sheffield pin
2nd Wednesday of the month
Host: Paul Hastings
www.sheffieldpin.co.uk

Great North pin
2nd Tuesday of the month
Hosts: Mark Fitzgerald and Tim Ives
www.greatnorthpin.co.uk

York pin
3rd Wednesday of the month
Hosts: MikeQ and Olga Hainsworth
www.yorkpin.co.uk

Leicester pin
1st Thursday of the month
Host: Gary Sandford
www.leicesterpin.co.uk

Hull pin
2nd Thursday of the month
Host: Neil Brown
www.hullpin.co.uk

Leeds pin
4th Wednesday of the month
Host: David Dixon
www.leedspin.co.uk

10 Cardiff pin
2nd Tuesday of the month
Host: Morgan Stewart
www.cardiffpin.co.uk

Swansea pin
4th Thursday of the month
Host: Morgan Roberts
www.swanseapin.co.uk

PPN Cardiff
 Village Hotel in Cardiff, 29 Pendwyallt
 Road Cardiff CF14 7EF
Hosts: Sean Forsey & Phill Leslie
progressivepropertynetwork.co.uk/cardiff

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
 Mercure Hotel, Britannia way, Catcliffe,
 Rotherham, Yorkshire, S60 5BD
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds
 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

11 Belfast pin
1st Tuesday of the month
Interim Host: Paul Hastings
www.belfastpin.co.uk

PPN Belfast
 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

UPCOMING AUCTIONS

SPONSORED BY
essential
information group

LONDON

Allsop Commercial 3-Feb-21

To Be Confirmed

Barnard Marcus 3-Feb-21 9:30

Online Auction

Savills 9-Feb-21 Online Auction

Auction House London 10-Feb-21 12:00

London Marriott Hotel, Regents Park, 128
King Henrys Road, London, NW3 3ST

Acuitus 11-Feb-21 TBA Online Auction

Network Auctions 11-Feb-21 10:00

Online Auction

BidX1 17-Feb-21 9:00 Online Auction

Phillip Arnold Auctions 17-Feb-21 12:00

Online Auction

Strettons 17-Feb-21 12:00

Grand Connaught Rooms, Great Queen
Street, London, WC2B 5DA

Allsop Residential 18-Feb-21

Online Auction

Barnett Ross 18-Feb-21 12:00

Online Auction

Town & Country Property Auctions London

23-Feb-21 12:30 Online Auction

McHugh & Co 24-Feb-21 10:00 Online

Auction

NORTH WEST HOME COUNTIES

Auction House Robinson & Hall 25-Feb-21

14:30 Live Stream

Romans 25-Feb-21 13:30 Online Auction

NORTHERN IRELAND

Wilsons (Northern Ireland) 25-Feb-21

19:30 Online Auction

EAST ANGLIA

Auction House East Anglia

10-Feb-21 11:00 Live Stream

SDL Property Auctions Knight Frank

18-Feb-21 11:30 Online Auction

Town & Country Property Auctions West

Yorkshire 18-Feb-21 12:00 Online Auction

WALES

Paul Fosh Auctions

2-Feb-21 12:00 Online Auction

Auction House South Wales

10-Feb-21 12:00 Online Auction

Town & Country Property Auctions

Wrexham 25-Feb-21 18:30 St. Davids Park
Hotel, St. Davids Park, Ewloe, CH5 3YB

SCOTLAND

SVA Property Auctions Ltd

17-Feb-21 14:00 Online Auction

EAST MIDLANDS

Auction House Copelands

10-Feb-21 12:30 Live Stream

Auction Estates 18-Feb-21 14:30

Online Auction

Town & Country South East, South & East

Yorkshire and East Midlands

18-Feb-21 19:00 Online Auction

Auction House Northamptonshire

24-Feb-21 11:00 Live Stream

Shonki Brothers (Narborough Road)

24-Feb-21 17:00 Live Stream

Auction House Leicestershire

25-Feb-21 18:00 Live Stream

SOUTH-EAST HOME COUNTIES

Auction House Essex & Kent

9-Feb-21 14:00 Live Stream

Auction House Kent 9-Feb-21 14:00

Live Stream

Dedman Gray Auctions Ltd

17-Feb-21 14:00 Online Auction

Connect UK Auctions 23-Feb-21 12:00

Holiday Inn London-Gatwick, Lancaster
Suite, Povey Cross Road, Horley, RH6 0BA

Pearsons Auctions 24-Feb-21 11:00

Online Auction

Hair & Son 25-Feb-21 15:00 Online Auction

Nesbits 25-Feb-21 11:00 Online Auction

Town & Country Online South East, South

& East Yorkshire and East Midlands

25-Feb-21 19:00 Online Auction

SOUTH WEST

Hollis Morgan 10-Feb-21 18:00 Live

Stream

Strakers 11-Feb-21 17:00 Online Auction

Symonds & Sampson LLP

12-Feb-21 12:00 Live Stream

Auction House Bristol & West

16-Feb-21 19:00 Live Stream

Greenslade Taylor Hunt Online

17-Feb-21 13:00 Live Stream

Auction House Devon & Cornwall

18-Feb-21 12:00 Online Auction

Maggs & Allen

18-Feb-21 18:00 Live Stream

Hayman-Joyce

24-Feb-21 18:00 Online Auction

NORTH EAST

Auction House North East 16-Feb-21

14:00 Live Stream

Agents Property Auction 25-Feb-21 TBA

Online Auction

YORKSHIRE AND THE HUMBER

Auction House West Yorkshire

3-Feb-21 14:00 Live Stream

Feather Smailes & Scales

4-Feb-21 15:00 Live Stream

Sharpes 16-Feb-21 18:00 Online Auction

Auction House South Yorkshire

18-Feb-21 14:00 Live Stream

Regional Property Auctioneers

24-Feb-21 14:00 Online Auction

Feather Smailes & Scales 25-Feb-21 15:00

Live Stream

WEST MIDLANDS

Auction House Staffordshire

3-Feb-21 19:00 Live Stream

Loveitts 4-Feb-21 18:30 Live Stream

Auction House Birmingham & Black

Country 11-Feb-21 18:00 Live Stream

Bond Wolfe Auctions 17-Feb-21 9:00

Live Stream

Cottons 18-Feb-21 15:00 Live Stream

Butters John Bee 22-Feb-21 18:30

Live Stream

SDL Property Auctions National

25-Feb-21 10:30 Live Stream

NORTH WEST

Auction House Manchester

2-Feb-21 14:00 Live Stream

Landwood Property Auctions

10-Feb-21 11:15 Online Auction

Auction House Cumbria 11-Feb-21 12:00

Online Auction, Coronation Hall, County
Square, Ulverston, LA12 7LZ

Smith & Sons 17-Feb-21 12:00

Online Auction

Venmore Auctions 17-Feb-21 13:00

Online Auction

Auction House North West

18-Feb-21 13:00 Online Auction, Bolton

Wanderers Football Club, Macron Stadium,
Burnden Way, Bolton, BL6 6JW

Sutton Kersh Auctions

18-Feb-21 12:00 Live Stream

Town & Country Property Auctions

Manchester 18-Feb-21 11:00

Online Auction

Town & Country Property Auctions

Manchester 23-Feb-21 12:00

Online Auction

Landwood Property Auctions 24-Feb-21

11:15 Online Auction

Pugh & Company 24-Feb-21 12:00

Online Auction

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.		Rating System
ADR	Alternative Dispute Resolution			HMO	House of Multiple Occupation
AI	Artificial intelligence			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 a 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)
APHC	Association of Plumbing and Heating Contractors				
ARLA	Association of Residential Letting Agents				
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		
		CML	Council for Mortgage Lenders		
		CPD	Continuing Professional Development		
		CPT	Contractual periodic tenancy	HP	Hire Purchase
AST	Assured Shorthold Tenancy	CRM	Customer relationship management (eg, CRM systems)	HSE	Health and Safety Executive
AT	Assured tenancy	CTA	Call to Action	ICR	Interest Cover Ratio
BCIS	Building Cost Information Service – a part of RICS, providing cost and price information for the UK construction industry.	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.	IFA	Independent financial advisor
				IHT	Inheritance tax
BCO	British Council for Offices	DHCLG	Department of Housing, Communities and Local Government (formerly DCLG – Department for Communities and Local Government)	IRR	Internal Rate of Return
BIM	Building information modelling			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)
BMV	Below market value	DPC	Damp proof course		
BPEC	British Plumbing Employers Council – qualifications, assessments and learning materials for Building Services Engineering sector	DoT	Deed or Declaration of Trust	JV	Joint venture
		DPS	Deposit Protection Service	JVA	Joint venture agreement
BRR	Buy, refurbish, rent out	EHO	Environmental Health Officer	KPIs	Key Performance Indicators
BTL	Buy-to-let	EIS	Enterprise Investment Scheme	L8 ACOP	Approved Code of Practice L8 – Legionella Control and Guidance
BTR	Build-to-rent	EPC	Energy performance certificate	LACORS	Local Authorities Coordinators of Regulatory Services
BTS	Buy-to-sell	FCA	Financial Conduct Authority		
C2R	Commercial to residential conversion	FHL	Furnished holiday let	LHA	Local Housing Authority
CCA	Consumer Credit Act	FLEEA Cover	Insurance cover for Fire, Lightening, Explosion, Earthquake and Aircraft impact, but no other perils. Some times issued for a property that has been empty for some time	Libor	London Inter-Bank Offered Rate
CDM	Construction Design and Management			LLP	Limited Liability Partnership
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)	FPC	Financial Policy Committee	LTV	Loan To Value
		FRA	Fire risk assessment	MCD	Mortgage Credit Directive (European framework of rules of conduct for mortgage firms)
		FSCS	Financial Services Compensation Scheme	MHCLG	Ministry of Housing, Communities & Local Government
		FTB	First time buyer	MVP	Minimum viable product
		GCH	Gas central heating	NALS	National Approved Letting Scheme
		GDP	Gross domestic product	NICs	National Insurance contributions
		GDPR	General Data Protection Regulation	NICEIC	National Inspection Council for Electrical Installation Contracting
		GDV	Gross Development Value	NLA	(former) National Landlords Association, merged with RLA to become NRLA
		GOI	Gross operating income	NRLA	National Residential Landlords Association
		HB	Housing benefit		
		HHSRS	Housing Health and Safety	OIEO	Offers in excess of

OMV	Open market value	RTO	Rent to Own	SA	Serviced Accommodation
ONS	Office for National Statistics	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)	SAP (assessment)	Standard assessment procedure
OTA	Online travel agent			SARB	Sale and Rent Back
PBSA	Purpose-built student accommodation			SDLT	Stamp Duty Land Tax
PCA	Property Care Association, a trade organisation for specialists who resolve problems affecting buildings			SI	Sophisticated Investor (Source: FCA) 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. 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: (a) Member of a syndicate of business angels for at least six months; (b) More than one investment in an unlisted company within the previous two years; (c) Working in professional capacity in private equity sector or provision of finance for SMEs; (d) Director of a company with annual turnover of at least £1m within the previous two years.
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.		
PD	Permitted Development / Permitted Development rights – you can perform certain types of work on a building without needing to apply for planning permission. Certain areas (such as Conservation Areas, National Parks, etc) have greater restrictions. Check with your local planning authority.	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.		
PI insurance	Professional Indemnity insurance	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
PLO	Purchase lease option	S106 Section 106	Section 106 agreements, based on that section of The 1990 Town & Country Planning Act, and also referred to as planning obligations, are private agreements made between local authorities and developers. They can be attached to a planning permission to make acceptable development that would otherwise be unacceptable in planning terms. Planning obligations must be directly relevant to the proposed development and are used for three purposes: Prescribe the nature of development Compensate for loss or damage created by a development Mitigate the impact of a development (Source: planningportal.co.uk)	SME	Small and Medium-sized Enterprises
PM	Project manager			SPT	Statutory periodic tenancy
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)			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.
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)			SSTC	Sold Subject To Contract
PRS	Private Rented Sector			TPO	The Property Ombudsman
R2R	Rent-to-rent			UC	Universal credit
REIT	Real Estate Investment Trust			UKALA	The UK Association of Letting Agents
Reserved Matters	A planning term: outstanding details of an outline planning approval to be resolved by a separate "reserved matters" application, see https://www.planningportal.co.uk/info/200126/applications/60/consent_types/6 for details.			USP	Unique selling point
RGI	Rent guarantee insurance			VOA	Valuation Office Agency
RICS	Royal Institute of Chartered Surveyors				
RLA	(former) Residential Landlords Association, merged with NLA to become NRLA				
RoCE	Return on Capital Employed				
ROI	Return on Investment				
RP	Registered Proprietor, refer ring to the name on the title of a property Land Registry				
RSJ	Rolled-steel joist – steel beam				



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Do No Money Down Deals Really Exist?



No money down is a popular term in the property industry, but many will argue that any type of property investment requires some level of capital to begin with. So, is it really possible to make a profit from properties you don't even own?

One of the most popular ways to get into property without any investment is deal sourcing and packaging. This strategy relies on identifying property investment deals and selling them to investors to earn a sourcing fee in the process.

Once you feel more comfortable with your property knowledge, a more advanced strategy to look at is Assisted Sales.

This property strategy creates a win-win situation for all parties involved. It begins with finding a tired property that is struggling to sell and offering assistance to the vendor. Exactly what Nadia from Sourced East London did, soon after joining the Franchise



and attending a selection of training events. "The training covered all property strategies and the support has been fantastic in terms of always having someone on the other side of the phone to advise me," Nadia admits.

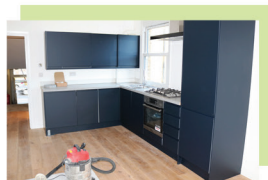
Sourced have been amazing in terms of the training but also the networking opportunities they provide.

The franchisee came across a property in need of a refurb, which had been on the market for a long time. Together with her JV

partner, Nadia refurbished the property throughout, generating a huge uplift in value.

By doing so, the house became much more desirable and sold within a week – generating a substantial profit, while providing a faster sale and income for the vendor.

A 'no money down' deal can also be achieved by utilising your professional network and managing projects. An example



would be the refurb and reconfiguration project by Jamie from Sourced Wandsworth, located in the charming village of Dulwich in London.

The franchisee planned to use Sourced's funding facility to carry out the project himself, until one of his investor contacts offered to purchase and pay for the property refurb, and share the profit in exchange

for Jamie and his business partner's management services.

The current layout of the property is dated and quite impractical. By refurbishing the apartments and reconfiguring the layout, the value of the property will increase significantly, allowing to generate a decent profit on the sale of the apartments and increase their rental value.



"Sourced have been amazing with the training I've attended but also the networking opportunities they provide." Jamie says. "Not only do I get to work with other franchisees, but I also get access to investor connections, which is how I met the investor who purchased the property."

Once the refurbishment is complete, two flats will be sold on the open market and the third one will be kept by the investor to benefit from a strong rental yield.

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