Issue 115 January 2018

YOUR PROPERTY NETWORK

www.yourpropertynetwork.co.uk

BIG HAIRY GOALS!

How to set your sights HIGH for 2018

EVERYTHING & THE KITCHEN SINK!

Plan your kitchen refurb to minimise costs, maximise the **WOW** factor and pocket the profit.

plus

BE TAX EFFICIENT IN DEVELOPMENT DEALS ...

How to choose an appropriate company structure and extract profits.

DEVELOPMENT MONEY

JUST BRIDGE IT

HAPPY NEW YEAR FROM DEVELOPMENT MONEY!

WE HAVE MOVED TO NORWICH

Come and see us in our new offices where you will have the opportunity to speak with experienced Brokers looking to help you get a head start in 2018. With over 140 lenders available to us we are confident Development Money will be able to help you achieve your goals.

CALL US NOW ON 01508 491111

FUNDS OUT AS QUICK AS 5 DAYS

- **COMMERCIAL BRIDGING FINANCE**
- **RESIDENTIAL BRIDGING FINANCE**
- **DEVELOPMENT/ REFURBISHMENT FINANCE**
- **FINANCE FOR PDR CONVERSION COMMERCIAL TO RESIDENTIAL**

SAME DAY DECISION
100% DEVELOPMENT FINANCE
3-24 MONTH TERMS

Esther Bennett Company Director
M 07940 965 522
E esther@developmentmoney.co.uk

Lesia Chomiak CEMAP, CEFA
M 07812 913 285
E lesia@developmentmoney.co.uk

Karl Mitchell
M 07947 716 759
E karl@developmentmoney.co.uk

Mark Ellis ACIB
M 07843 147 539
E mark@developmentmoney.co.uk

Crafton House
Rosebery Business Park
Mentmore Way
Poringland
Norwich
NR14 7XP

www.developmentmoney.co.uk **01508 491111** **www.justbridgeit.co.uk**

HAPPY NEW YEAR!

WHAT DO YOU NEED TO MAKE 2018 YOUR BEST YEAR YET?

This is one of my favourite times of the year. As the party season quietens down, you have a little bit of time to reflect before the working world gets fully back into gear, so it's the perfect opportunity to plan out what you want to achieve over the coming 12 months and set the wheels in motion.

Taking time now to create well-formed, meaningful goals might mean the difference between absolutely smashing your property resolutions by next December, or limping along without direction then wondering where the year has gone. To help **YOU** set **YOUR** direction, we've spoken to some people who have been very focused throughout 2017 and are now reaping the rewards of well-deserved success, to find out how they did it. We also have plenty of hints and tips for setting your own goals, along with some of the latest property updates to help you get to the top of your game and stay there.

In addition, turn to page 43 for a series of articles on financial planning and structures especially for property investors and developers. Tax, pension, estate and succession planning becomes exceptionally important the more active you become in property, so put this near the top of your priority list when working on your goals.

Finally, we are excited and proud to launch **YPN BITESIZE** this month, a series of training modules on specific strategies, **FREE** to all subscribers. The first modules are available on the subscriber website (with more coming soon), so log in now and check them out.

Happy New Year from the YPN team!

Jayne Owen

EDITOR

IN THIS ISSUE

Introducing THE YPN TEAM


Ant Lyons
Director and Co-Founder
ant@yourpropertynetwork.co.uk


Mike Kyte
Director and Co-Founder
mike@yourpropertynetwork.co.uk


Jayne Owen
Editor
jayne@yourpropertynetwork.co.uk


George Haines
IT Manager
george@yourpropertynetwork.co.uk


Simon Clements
Creative Manager
artwork@yourpropertynetwork.co.uk


Heather Messenger
Customer Care Manager
heather@yourpropertynetwork.co.uk


Heidi Moment
Writer
heidi@yourpropertynetwork.co.uk


Danni Fisk
Advertising & Events Manager
danni@yourpropertynetwork.co.uk


Angharad Owen
Freelance Writer
angharad@yourpropertynetwork.co.uk

You can contact the YPN team using the email addresses above or on

07807 236725

Come say hello...

@ypnmagazine

www.yourpropertynetwork.co.uk

THE YPN JARGON BUSTER

A list of the abbreviations and tech-talk used in this month's YPN – and more ...

ACV Asset of community value
ADR Alternative Dispute Resolution
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 planing permission. Check with your local planning authority.
AST Assured Shorthold Tenancy
AT Assured tenancy
BCIS Building Cost Information Service – a part of RICS, providing cost and price information for the UK construction industry.
BCO British Council for Offices
BIM Building information modelling
BMV Below market value
BTL Buy-to-let
BTR Build-to-rent
BTS Buy-to-sell
CCA Consumer Credit Act
CDM Construction Design and Management
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)**
CGT Capital gains tax
CML Council for Mortgage Lenders
CPD Continuing Professional Development
CPT Contractual periodic tenancy
CTA Call to Action
DCLG Department for Communities and Local Government
DoT Deed or Declaration of Trust
EHO Environmental Health Officer
EIS Enterprise Investment Scheme
EPC Energy performance certificate
FCA Financial Conduct Authority
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
FPC Financial Policy Committee
FRA Fire risk assessment
FSCS Financial Services Compensation Scheme
FTB First time buyer
GCH Gas central heating
GDPR General Data Protection Regulation
GDV Gross Development Value
HHSRS Housing Health and Safety Rating System
HMO House of Multiple Occupation
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)**
HP Hire Purchase
HSE Health and Safety Executive
ICR Interest Cover Ratio
IHT Inheritance tax
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)
JV Joint venture
JVA Joint venture agreement
KPIs Key Performance Indicators
L8 ACOP Approved Code of Practice L8 – Legionella Control and Guidance
LACORS Local Authorities Coordinators of Regulatory Services
LHA Local Housing Authority
Libor London Inter-Bank Offered Rate
LLP Limited Liability Partnership
LTV Loan To Value
MCD Mortgage Credit Directive (European framework of rules of conduct for mortgage firms)
MVP Minimum viable product
NALS National Approved Letting Scheme
NICEIC National Inspection Council for Electrical Installation Contracting
NLA National Landlords Association
OMV Open market value
PBSA Purpose-built student accommodation
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.**
PI insurance Professional Indemnity insurance
PLO Purchase lease option
PM Project manager
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)**
PRS Private Rented Sector
R2R Rent-to-rent
REIT Real Estate Investment Trust
RGI Rent guarantee insurance
RLA Residential Landlords Association
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
RTO Rent to Own
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)
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'.
SA Serviced Accommodation
SAP (assessment) Standard assessment procedure
SARB Sale and Rent Back
SDLT Stamp Duty Land Tax
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.**
SIP(s) Structural integrated panels
SME Small and Medium-sized Enterprises
SPT Statutory periodic tenancy
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.
SSTC Sold Subject To Contract
TPO The Property Ombudsman
UKALA The UK Association of Letting Agents
USP Unique selling point

2018 MAKE IT YOUR PROPERTY YEAR!

THE POWER OF BIG, HAIRY, AUDACIOUS GOALS

I'm pretty sure that someone somewhere has proved that people who set goals go further in life than people who don't. A quick two minutes on Google will yield all sorts of results on what people have achieved through setting goals.

Love 'em or hate 'em, goals are crucial when it comes to making a success of your property business. BTL, flipping, sourcing, refurbing, developing, R2R and more – regardless of strategy, you have to know what you're aiming for. Otherwise how do you know when you get there?

Knowing **WHY** you're going into it is just as important, because that's what will keep you going when things get tough. Venturing into property investment because it seems vaguely like a good idea will not have anywhere near the emotional resonance as jumping into it whole-heartedly with a drive born from a determination to give up your job/secure your family's future/live a life of freedom and independence/[enter your own cause here …].

It's sensible to take small steps, especially at the beginning, but the magic often happens when you starting thinking **BIG**. This is what will push you out of your comfort zone to achieve what might at first seem unsurmountable – by making a start you will create a momentum that will snowball as you keep rolling forward.

As it's the start of the year, we've spoken to some inspiring people who have set and met some awesome goals in recent months. **Andy Hubbard** and husband-and-wife team **Mahmoud and Mithila Rollings-Kamara** prove what it is possible to achieve when you have a clear idea of what you want.

How to get it might not always be clear at the beginning, but setting the intention will open up your mind – and often a few doors as well!

In addition, a few of our regular writers chip in with motivation for getting ahead in property in 2018. If you haven't set your goals for 2018 yet, then read this feature and start planning **YOUR** best year ever!

PIVOTAL MOMENTS …

… ON THE TOOLS, ON THE ROAD AND ONTO BIGGER PROJECTS WITH ANDY HUBBARD

Interview: **Ant Lyons** / Written and edited: **Richard Brown, aka The Property Voice**

Andy Hubbard has come a long way in property already and now has a bigger vision for the future. From apprentice to award-winning bricklayer, he never worked for anyone else, progressing from solo building contractor projects in the hundreds to commercial conversions with JV partners, and now a property development company undertaking new build developments using alternative building methods in the thousands of units a year … plus time enough to share his knowledge with others! Hear how he made these steps, the triggers and pivotal moments that made this progress possible – the lessons learnt, the systems and partners that have come on board to scale the business, along with the leverage of mentors that enabled the mindset shift.

In the past year alone, Andy has done three commercial conversion projects, set up a new build development company (Bishops Gate Developments), and set up mentoring, mastermind and online training programmes. Over the coming year, he plans to work on **£40m worth of projects**, and cultivate the success he has achieved to date.

Read on to find out what we learned in our interview with Andy …

STARTING ON THE TOOLS, THEN ON THE ROAD

YPN: You've done 100 hours a week working on the tools, that was your background, wasn't it?

Andy Hubbard (AH): It was. When you get into that many hours that you're working, you just basically put all of life aside. Everything else takes a back seat, because you're trying do all those hours to earn the money to provide your family with a good life. I did my apprenticeship at the council. After finishing that, I never worked for anyone again, because I thought employment wasn't for me. I just started to pick up all the trades.

> I pretty much decided to go and travel the world, and took 13 years doing that!

YPN: You spent quite a lot of time travelling after that?

AH: Yeah, I did a few weeks, and thought, well you know, do I really want to do this until I'm 65 and then go to my retirement? I think I'll have my retirement before I start work! I pretty much decided to go and travel the world, and took 13 years doing that!

FROM THE TRADE TO PROPERTY DEVELOPMENT

YPN: How did the transition of coming into property for yourself rather than building houses for other people occur?

AH: I think it was, because I used to do everything myself, you can only do so much. After doing 100 hours a week, I was starting to get burnt out. I bought my first house after I realised people were making a lot of money on their houses without doing anything. I started to see a pattern.

YPN: What was the shift change, then?

AH: Nine years ago, I went to an event at Progressive Property. It didn't really sink into my brain at that point, because I was just one man doing everything and that's all I knew. But then I watched Progressive over the years, and realised they kept buying more houses, more houses, more houses.

I thought, do you know what, I need to get educated by these guys and just see what they're doing and spend some time with them. I knew I wanted to get into commercial conversion and development, but I thought if I got the best education from the best people, it would be down to me then.

YPN: The conversion from commercial to residential, was it with a view to retaining those properties, selling, or a mixture?

AH: A bit of a mixture. I'm quite keen to sell some of the units so that we can bank some cash, because when there's a recession it's always good to have some liquid money. We concentrate on the cash flow, because otherwise we'd be like most developers – they get chunky money and have got to live on that while their next development's going through, which can be 18 months or two years.

ANDY HUBBARD *in numbers*

16 The age Andy left school to do a bricklaying apprenticeship

13 years of travel … his retirement before starting work!

100 hours a week laying 800 bricks a day as a bricklayer

500 garage conversions and 200 new build houses under his belt

£100M revenue projection over the next two years, building 1,000+ new build units a year

25% of Andy's time is now spent masterminding and mentoring others to profit in property (as he has)

YPN: Do you think your background in construction gave you an advantage with commercial to residential as a strategy?

AH: Yes, definitely. But I was used to going from the planning stage forward through to completion, as opposed to doing the up-front work of sourcing, funding and analysing. I've had to learn a lot from the front end to get it to the point where the actual build starts taking place. My background helped, because I've worked on some pretty big projects. To me, it was just another building job, but it wasn't until the last couple years where I've realised it's a strategy.

SCALING INTO COMMERCIAL TO RESIDENTIAL CONVERSIONS

YPN: Can you talk us through your first commercial to residential project for yourself?

AH: Well, they all take longer than you think! That's the first thing I learnt because I had chosen the planning route as opposed to the prior approval route, so it was important to not rely on one deal.

CASE STUDY 1

Location	**Gloucester**
Project	**39 Apartments Conversion**
Strategy	**Commercial (Office) to Residential Conversion**

THE NUMBERS

Purchase Price	**£850k**
Development Cost Gross	**£2.6m**
Development Value	**£4.2m**
Developer Profit Margin	**£733k / 21%**
Developer Cash Invested / ROI	**£Nil / Infinite**

What I did find was that deals were starting to fall through and take a long time, and people wanted to move quickly. Getting the funding in place is quite a big jigsaw. There are lots of things to concentrate on, and if one person is trying to concentrate on it all from the beginning, it can be a bit too much. I'm now all for joint ventures and working with the opposite skill set, which again is something I've learned and taken on board.

YPN: Which were the sort of skill sets you needed to bring in?

AH: Finance was a challenge for me, because I'd been brought up never to borrow any money. It was a massive mindset shift to go to people I'd never met.

That was all quite new. Because I'd been doing things the same way for so long, for someone to say I want to get involved in a project, here's a million pounds … that's quite hard to get your head around when it does come. I was told at the beginning that if you go out looking for money and are credible, the money will come. At the beginning I thought, well yeah but this is me, it's not going to happen to me. But it did. It took a little while, it doesn't happen very quickly, but it did happen.

YPN: What were you doing during that time to get noticed?

> **Being able to sit there and calculate the build costs and all the associated costs and get that fairly accurate, that's one of the hardest points to get right.**

AH: I think Facebook's been great for me. I just started helping a lot of people with their plans, like how to add value and get more units out of their plans, showing ways that they could extend, and all the things we've done on buildings over the years.

YPN: What was your first project at this point?

AH: The first commercial I bought for myself was a pub. We bought that to extend into new build to do some new dwellings.

That took quite a long time to get through planning. We've still got challenges with that one because it's got an ACV attached to it, which threw a spanner in the works. I'm not too bothered about it though, I've got lots of other projects on the go. It's just another one in the pipeline that will sit there and we'll chip through the process. Eventually we'll get a decision on what we want to do and will just go ahead and do it.

At this point, I was dealing with planning and financing, etc, and knew that things were not in my control, and that was quite a big lesson for me – a valuable lesson to realise that I need several projects. I can't rely on the one project.

It was the first time I sat down and worked on a business plan. Previously, it had all been in my head. These plans don't always go as intended, but you do have to start off with some kind of plan, so you know what you're doing day to day, month to month.

You've got targets to check in by, and you see can your progress and monitor it.

It took me the best part of 11 months to really get my head around raising finance. I concentrated on looking for the deals a little bit too much, until I started working with people who could analyse deals – that's when the success started to really take off.

YPN: In what way were you struggling with that?

AH: I just wasn't a spreadsheet man. I could go to work all day, lay 800 bricks, probably earn a couple of hundred quid. So this was a different type of thing I had to get used to. I don't mind doing it now, because I've gone through the process quite a lot. But, it was quite time-consuming, because I was learning this strategy from the beginning.

CASE STUDY 2

Location	**Boston**
Project	**Pub Conversion & Extend into Apartments**
Strategy	**Build / Convert to Rent**

THE NUMBERS

Purchase Price	**£125k**
Development Cost	**£138k**
Gross Development Value	**£381k**
Developer Profit Margin	**£121k / 46%**
Developer Cash Invested / ROI	**£263k / 46%**

MANAGING MULTIPLE PROJECTS

YPN: How do you divide your time between multiple projects?

AH: I've got a guy on my team, Lee Warren, who analyses deals and sources deals for us. He's good at that, that's what he enjoys doing. I've got another guy, Pete Craig. He purely sticks to the business side of it. We've all got our own roles in the Bishops Gate Developments business, and my role is making sure that the constructions are started on time, within budget, and I liaise with the project managers, site agents, etc. I work within my own skillset.

YPN: Where are you with your current projects?

AH: We've got an office that we're converting in Gloucester. It had prior approval for 27 apartments, but we've managed to get 35 as a minimum. When you look at a lot of the deals out there, they don't really work. When you get to know what you can do and how you can do it and improve the scheme, you can make that deal work a lot better. I can look at a set of plans, and work out whether we can maximise the same floor space by re-jigging things about, re-positioning walls, moving stairwells, that kind of thing. An architect will say, we'll do this, but they don't always fully understand the process of the work involved, the timescale or the cost.

CASE STUDY 3

Location	**Salisbury**
Project	**24 Houses & Village Hall**
Strategy	**New Build Development to Sell On**

THE NUMBERS

Purchase Price	**£3m**
Development Cost Gross	**£6.1m**
Development Value	**£11.9m**
Developer Profit Margin	**£2.8m / 31%**
Developer Cash Invested / ROI	**£Nil / Infinite**

YPN: Who's your end market there?

AH: So, this will be young professionals, first-time buyers. It's a city centre location. They will mostly be one-bed apartments, with a few two-beds, done to a nice standard. People are not really bothered about the size of the rooms. They're more interested in having USB sockets right next to where they're sitting, nice LED lighting as opposed to just the ceiling rose, a little bit better quality worktop in the kitchen, some nice flooring or underfloor heating as opposed to radiators. That market is certainly not interested in gardens – nor a parking space, because they probably go on the bus or work in town anyway.

We do units that are priced sensibly to sell, as opposed to sticking while trying to maximise every penny from the deal. We do multiple deals, and keep them churning as opposed to trying to squeeze every single penny out of a deal.

PIVOTING INTO NEW BUILD

YPN: I love the approach of them being affordable, so what's next?

AH: What we're finding is there's more opportunity to do new build than commercial conversion. The commercial conversion market is great, there are still opportunities out there, but as we want to be doing thousands of houses a year, we can't do that with commercial conversions. It's just not possible. So we will do new build, and are looking to alternative build methods as well.

SIPs (Structural Insulated Panels) is one thing that we're looking at. This method will work great with build-to-rent. We can put these houses up about 30% cheaper, and build them quicker too. We're also looking to build using modular building techniques. That's one thing we want to get heavily get involved in by the end of next year, particularly with apartment blocks, because they're just so quick to construct. You can build 50 apartments in a week once you've got the foundations – it is that fast. We can then scale up the

business model, to the point of doing a thousand, two thousand, three thousand buildings a year, comfortably.

YPN: How have you found the process of getting comfortable with being uncomfortable and the required mindset shift?

AH: It did take a massive shift. I think it comes naturally as you've been in the business longer.

We're quite clear that any deal now has a £500,000 minimum profit. We're clear on our business models, so don't really look at any small stuff now. It is easier to find £20m as opposed to £200,000 from an investor. At this level, people are easy to deal with, because they understand investing – it's just another investment for them. People with smaller amounts of money have a lot more questions to ask. It's just a different type of person to deal with. They each work in their own way. So you work out which projects you want to do, then what sort of money you need and where from.

YPN: When people move into bigger developments, new builds, or conversions, one of the things that seems to surprise them is the "other costs". Was that a bit of an eye-opener for you?

> **Next year we want to do £40m of new build. We want to double that year on year**

AH: It's only when you put a detailed spreadsheet together that you can see how many costs are involved in getting that process over the line. Finance is a big one, because people just put all sorts of figures in. Pound per square foot build cost, that's one that I would say 99 out of 100 people struggle with. We've got various resources, and can get a pretty accurate pound per square foot cost anywhere in the country.

CASE STUDY 4

Location **Lowerstoft**

Project **75 Apartments & Commercial Units**

Strategy **Build / Convert to Rent**

THE NUMBERS

Purchase Price	**£1m**
Development Cost	**£10.3m**
Gross Development Value	**£15.6m**
Developer Profit Margin	**£5.2m / 46%**
Developer Cash Invested / ROI	**£Nil / Infinite**

Also, because we're using main contractors, we know how to work out our figures quite accurately now.

We use BCIS (Building Cost Information Service), which is live data off a number of projects. They compare it to other projects around the country, and we can dissect all the analysis and get accurate on our costs. Affordable housing can cause some people to struggle; as soon as you go over then units, Affordable Housing Contribution kicks in. It's a bit of a minefield, as it changes county to county.

YPN: That's the stuff that probably stops people going onto bigger sites.

AH: Well, we've got to do a lot of affordable stuff, so we might as well learn about it. You're not going get away from affordable housing once you start building bigger developments. We know that it's a greatly needed resource. In two years we're probably going to switch to private rental sector developments, where we'll do the whole site as affordable housing.

YPN: And today, do you concentrate on projects with planning in place, taking it through planning, or a mix?

AH: Everyone needs a pipeline. What you don't want is all those projects to come at once. We've got stuff that we're buying with planning in place, so we can be accurate on our costs. Then, we've got other stuff that we're doing with outline planning, which we know may take six months to achieve full planning. That gives us time to raise a bit of uplift when we get that. Again, if we've got investors, and they might say my money's coming out in a couple of months, then we can say well great, we've got a project that should have planning permission by then.

It's good to work with the professionals. They – the planning consultant, architects, etc – are the ones that help us build our pipeline as well help with the planning and so on. It really is a team effort.

YPN: Where is the business now and in the pipeline?

AH: Next year we want to do £40m of new build. We want to double that year on year. One of my partners, Pete, is also scaling up, bringing in systems and such like. As a venture capitalist, he's used to handling large sums of money for start-ups and building businesses. He's a great guy to have brought on board.

YPN: How do you juggle business and family life?

AH: I'm extremely lucky because my wife supports me 100%. The irony is that before, I was working for my family but never saw them, so I'm very lucky to have that support from my wife. My kids get involved as well. I compartmentalise my diary and book time with the family. We have quite a few holidays now, when I'll just work for half an hour in the morning and evening, do all my emails and stuff, and then that's it for the day – I can spend it with my family.

BISHOPS GATE DEVELOPMENTS

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

CONTACT DETAILS

Email: **andy@bishopsgatedevelopments.co.uk**

Facebook: **"Andrew Hubbard" or "bishops gate developments"**

WHAT WE DID LAST YEAR

FIRST YEAR IN PROPERTY, FIRST DEAL, FIRST AWARD NOMINATION … AND FIRST BABY!

Interview: **Ant Lyons & Jayne Owen** / Words: **Heidi Moment**

In line with our focus on goals this month, we are delighted to speak to Mahmoud and Mithila Rollings-Kamara's first project was so impressive that it earned them a place in the finals for the "New Property of the Year" at the Property Investors Awards. We were delighted to catch up with them to find out all about their project, their mindset and how they set their goals, despite the challenge of a new arrival in the family

HOW DID YOU GET INTO PROPERTY?

Mithila: Both of us worked in the city for a lengthy amount of time, me in financial services and Mahmoud in insurance. A couple of years ago we decided that we would like to take a different course in life and free up a bit more time for ourselves, so we started looking into property. Because we both worked full-time it was quite a challenge for us, so we took a view last year for me to go part-time and I reduced my working days from five to three days a week, which gave me two days to get things up and running. And that was really the start of it all.

We joined the Property Mastery Academy annual mentorship with Mark Lloyd and Jackie Reeves. This really helped us to kick start things. It has taken us through a whole host of different strategies and has really opened the door for us.

WHAT GOALS DID YOU HAVE THIS YEAR?

Mahmoud: One of the things we've always done as a couple is to set ourselves an annual goal and a five-year goal. Our five-year goal has always been to try and replace both of our permanent incomes through property.

Mithila: When we first started we didn't have clarity around what strategies we were going to do, and we had different ideas about what our goals should be, but our main goal was aligned.

Mahmoud: We were very fortunate to come across our first deal, as it has enabled us to get very close to our annual goal of a six-figure sum within the first year. While this is not in cash, we now own an asset that is valued at more than 6 figures.

> "We wanted to be earning a 6-figure sum by the end of year one"

WHAT'S YOUR PRIMARY STRATEGY?

Mahmoud: There are so many strategies and so many things that sound amazing. Different strategies work for different people. We decided to keep our minds open and we regularly review where to concentrate our efforts.

One of the first things we looked at was our limitations. We were planning to start a family so we knew that we weren't going to do any strategies that involved us going up North, or to Wales or wherever. We wanted to be within driving distance from home.

Mithila: So, we looked at which strategies fit within our vicinity and then worked from there. Due to the recent BTL tax changes, coupled with the fact that commercial properties are generally more hands off in our opinion, we wanted to focus on semi-commercial properties.

IN WHICH LOCATION DO YOU INVEST?

Mahmoud: We live in West Byfleet in Surrey. It's definitely a competitive area with a lot of people focusing either on buy-to-lets or commercial to residential investments.

There are a lot of opportunities in our area and we identified our niche by looking at small villages and towns and combining the two.

Mithila: One of the things that is unique to small villages such as West Byfleet is the local residents. We started out by researching our local area and speaking to local vendors who run their own businesses and have been functioning in the area for a while so therefore were able to provide more insight into local requirements. We learned that most of the commercial tenants we are looking for are local rather than national. This was really useful to get us looking in the right place for tenants.

Coupled with that, we thought about what re-generational opportunities there are in the local villages and towns that will contribute to potential uplift in the future.

TELL US ABOUT YOUR FIRST DEAL

Mithila: The first deal that we found is very close to where we live, which was a key requirement for us. With it being so close we were able to balance work and really put the time and effort into knowing our local area.

> **Higher values can be daunting but if the deal works it's nothing to be scared of, the numbers speak for themselves**

We were very fortunate to stumble across this opportunity, which was a mixed-use property, both residential and commercial. We realised we walked past it every day on the way to the train station. We took a closer look at it and realised it could actually be a really good opportunity for us.

The initial market value was £800,000, which was a bit daunting as a first project, but one of the things we learned on our mentorship was that, if the deal works, it works. So once we started looking at the figures we tried not to get scared about the value, and just focused on whether we could make this profitable for us. With the knowledge and support of our mentors, in addition to, I suppose, our tenacity, we hoped to try and make it work.

DID YOU HAVE ANY PRIOR EXPERIENCE OF DEVELOPING PROPERTY?

Mahmoud: Not to that level!! We've had family members who've done refurbs. My father-in-law has done some refurbs on his house and I've helped out a bit, banging a nail in here and there, but nothing on this scale.

So, this was our first deal and the first time we were carrying out a full refurbishment. Like my wife said, it was a bit daunting, but we were committed and we persevered. We knew the figures worked, so as long as we kept on pushing we knew it would come good in the end.

Mithila: One of the key things for us was finding a good builder and a good team. We wanted them to manage the whole thing, so we could take a very hands-off approach. We were introduced to a good builder through an agent, we saw evidence of their work, we liked the way they worked as a business and we trusted them. I was at home two days a week so I was able to pop down to the site at least once a week.

The team were very proactive and we had a very clear schedule of works in place. Everybody knew what their responsibilities were. So I would say that was definitely the key to the overall success of the refurb.

HOW SMOOTHLY DID THAT PROCESS RUN?

Mahmoud: The refurbishment went a lot smoother than the purchase process. We had a good relationship with the builder. He project managed it from start to finish and everything was laid out before the start of the project, so we were fairly confident and comfortable. All the targets were met, so we actually finished two weeks or just a week and a half before schedule. It was pretty much plain sailing.

CASE STUDY

STATION APPROACH SURREY

THE PROPERTY

A local commercial & residential freehold unit consisting of two residential flats and one commercial unit.

STRATEGY

We managed to purchase the property at a good price. After negotiating with the landlord, we then progressed onto splitting the titles across the three components of the property.

We had two exit strategies – one was to sell the properties and the other was to hold on to them and rent them out. Given the way the market was at the time and the fact that we had secured a long-term commercial lease (15 years to a restaurant owner) we decided to hold the flats for the time being and run them as HMOs.

The first floor flat has four bedrooms and the second floor flat has three rooms, so seven rooms in total. We furnished each room with the basics - double bed with mattress, bedside table and double wardrobes and rented them to local professionals through a local agent who also manages the rooms. Rents vary by room. A large double ensuite is £850, large double is £675 and a double is £550. All tenants are on 12 month ASTs.

WORKS COMPLETED

The property was not in the best condition when we bought it, so it was necessary to do a full refurbishment. The commercial unit is on an FRI lease (Full Repairing and Insuring lease) so the tenant was responsible for the refurbishment of the commercial unit, leaving us to focus on the flats.

WORKS CARRIED OUT INCLUDED

- New ensuite bathrooms installed
- New central heating systems
- New double glazing installed
- New integrated kitchens installed
- New bathroom refurbishments / installation
- New tiling carried out throughout kitchens and bathrooms
- Installation of new front doors and interior fire doors to HMO standards
- New wooden flooring through lounge and new carpets in bedrooms
- Interior decoration throughout
- New skirting boards and architraves
- Exterior sensor lighting installed
- Furnishing each bedroom - double bed with mattress, bedside table and double wardrobes.

FUNDING

A combination of personal funds, investor funds and a bridging loan.

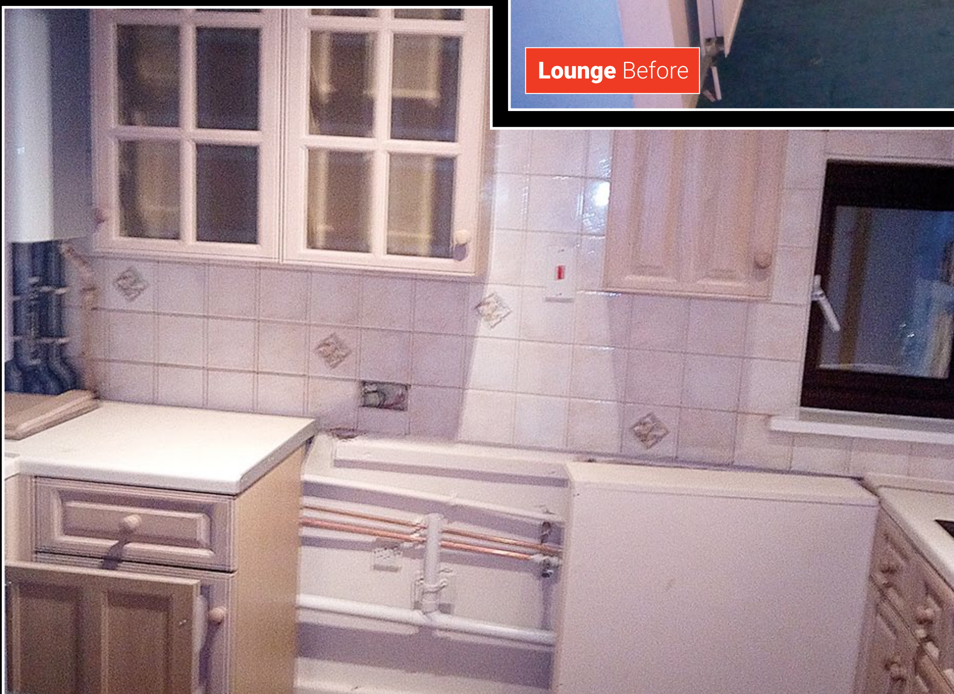
We paid **£225,000 deposit**.

£458,000 was bridged and we got **£126,000 from private investors**.

Interest on bridge (1.05%/month), Investors' interest (1%/month).

Bedroom Before

Lounge Before



Kitchen Before

Bathroom Before

WHAT DIFFICULTIES DID YOU HAVE WITH THE PURCHASE PROCESS?

Mahmoud: Well, when we first looked at the deal our original idea was to do a delayed completion. Because this was our first deal we knew that trying to raise finance for it would be an issue, in terms of trying to get lenders to lend to us based on our limited experience. So, initially we wanted to do a delayed completion, as this would have meant putting less money down upfront and paying the development loan back once we mortgaged the refurbished property based on the new value. We discussed this approach with the vendor, who initially seemed OK with the idea, but then later on changed his mind. Which then meant we had to change our purchase strategy.

And there were a number of challenges we met along the way, that we had to overcome. Things we'd agreed kept on changing, but we tried to be patient and we kept on pushing. The support of our mentors, Mark and Jackie, was really helpful during this time and really gave us the oomph that we needed to persevere. And we got there in the end!

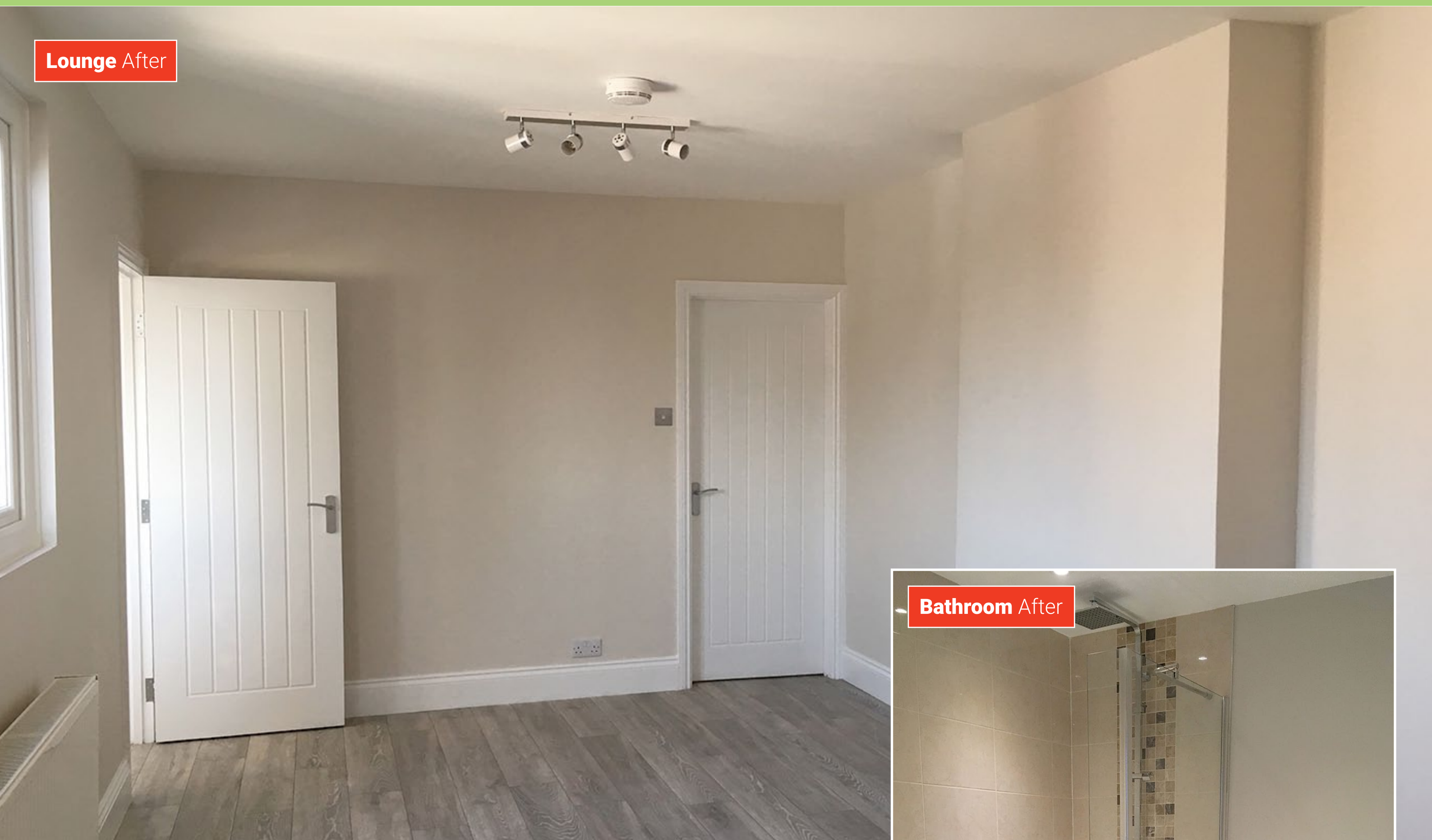
Mithila: The process of purchasing the property took six months, which was far beyond what anyone expected. So, it gives you an idea of the level of challenges we faced. But like my husband said we got there in the end, which is what matters.

WHY BIGGER DEALS?

Mithila: One of the conversations we had at the start of our property journey was around this. I always thought it would be better to have a bigger portfolio to achieve our goals. And my husband would often say, *"Oh actually, I'd rather have fewer that make the same sort of income and are less to manage."*

If you're operating at the £100,000 to £200,000 mark, every man and his dog are fishing in that pond. Fewer people are operating at the slightly higher level, and the payoff is not 10 times the work on 10 times the size of the deal.

It makes complete sense really. So, that's the path we're going down.



Lounge After

THE NUMBERS

Open market value:	**£799,000**	Monthly income:	**£6,575 (£2,000 from commercial unit, £4,575 from flats)**
Purchase Price (incl. all costs):	**£788,000**		
Refurb Cost:	**£96,000**	Bills incl MOE:	**£1,219**
Total costs including all refurb, acquisition, and sales costs:	**£884,000**	Monthly mortgage:	**£3,521**
		Net monthly profit:	**£1,835**
Post-works valuation:	**£960,000**	Return on money left in:	**10%**
Remortgage amount:	**£735,000**		

Bathroom After

What challenges did you come across when deciding to change from flipping to HMO? How did you overcome these?

The main challenge was finding the correct mortgage product given our limited experience with commercial properties. However with help from our brokers we successfully refinanced ten months after the initial purchase

TIMESCALES

Property purchased in **December 2016**

Refurbishment commenced **January 2017**

Refurbishment completed **April 2017**

DO YOU FEEL THAT YOUR FINANCIAL BACKGROUND HELPED YOU TO FEEL CONFIDENT WITH THE NUMBERS ON BIGGER DEALS?

Mahmoud: I would agree with that. Because of the nature of our jobs we are used to dealing with large figures so we attach less emotion to it. Obviously, there is an aspect of emotion when you're personally involved in it, but maybe not as much as for people who are working with large numbers for the first time.

I think that's something that we've definitely taken on board and we try to implement in whatever deals we look at regardless of the size. I think because of that mindset we aren't necessarily thwarted or daunted when we come across the bigger deals.

> **If the numbers stack up, then you know the deal works and everything else will follow**

HOW DO YOU RAISE FINANCE?

Mithila: We work with a number of investors who help us to fund our projects. Our investors are people who we have developed relationships with over time and who now know us personally as well as professionally.

One of the things we believe in doing is preparing documents. We have an investor pack with the details of the deals, the numbers, demonstrating our experience, people we network with, which tends to give people the confidence in terms of our credibility and just assuring them that they can make the returns that we are promising.

Mithila: On the first deal we knew that we'd have to put in some of our own money to demonstrate our belief in the deal by putting our money where our mouth was, and show that we were credible as a business.

HOW DO YOU FIND WORKING WITH YOUR LIFE PARTNER?

Mithila: One of the things that really comes to light during this whole journey is that you start to recognise each other's strengths and weaknesses. I'm quite a detail-orientated person and I'm very analytical, whereas, my husband is very good at talking the talk and strategy.

So, we both have different strengths that complement each other rather well. Of course we disagree sometimes but generally it works well.

When running a business you do run the risk of it taking over your life. But like we've already said we were determined to make it work and having each other's support has been really important. We're really grateful to be able to bounce ideas off each other.

We've recently had a baby boy, so we've had to be organised so we can fit everything in while enjoying parenthood.

Two heads are better than one – being able to bounce ideas off each other is key

CONGRATULATIONS! HOW DO YOU MANAGE TO KEEP ON TRACK, WHEN IT IS SO EASY TO GET DISTRACTED BY SUCH A MAJOR LIFE EVENT AS HAVING A BABY?

Mahmoud: Mithila is very organised. And I have to say (I probably don't say this often enough), had it not been for her organising things and keeping me on track it would have been very hard for us to have achieved what we have this year. We've become quite rigid, putting guidelines in place that we try to stick to.

Mithila: We put the baby to bed by 7 o'clock each day because it gives us the evening to relax, and also to work on business strategy. We like to have the flexibility to do that. It's quite important to have that work / life balance.

HOW DO YOU MAKE SURE YOU STICK TO YOUR GOALS?

Mithila: For me personally, accountability is key. We are accountable to each other as well as to our mentors. Being accountable to someone else has helped me to stick to our path towards our goals.

Mahmoud: I would say it's important not to have too many goals, but you must be specific. Identifying major goals in terms of what we wanted to achieve within five years gave us something to look forward to and aim for, whereas shorter terms goals for one year gave us something to focus on.

It's also important to be able to reward ourselves for the achievements we've made along the way. Every time we got to a milestone we're able to say, *"Actually we've achieved this!"* And then it made us look forward to the next milestone.

But above all that, I think I would say it's just having that balance. One of the biggest things for us has been because we work together we support each other.

Being honest with each other in terms of our strengths and weaknesses has been a huge benefit to our business

WHAT OTHER PROJECTS ARE YOU WORKING ON?

Mahmoud: One of the other strategies we are interested in is 'land assembly' or 'land grabbing' as some people tend to refer to it.

> **Land assembly is forming a single site from a number of land units for the purpose of redevelopment**

We read about it in this magazine actually and then we learned a bit more about it. At first it sounded almost too good to be true, but we were inspired to start looking for these sort of deals, in our area. Fortunately enough, we have identified one and that's what we're dealing with at the moment.

It consists of three adjacent detached houses with fairly large gardens. We saw the potential to buy up at least two of the gardens and one of the properties. All three vendors have agreed to come on board but we're still in the process of negotiating how much we're going to pay them. If everything goes to plan and we secure these options we will then aim to get planning approval, then we can either sell to a developer for a gain or we can develop and then sell or rent out ourselves.

GOALS FOR 2018

Mahmoud: In 2018 we're going to focus more on doing land assembly deals, because there's less footwork involved, which means we will have more time to spend with our little boy.

The key part of doing land assembly is the negotiation with the homeowners. We tend to do that through home visits, and we can manage our time around that more easily. Going forward, we're looking to do a few more mixed commercial, mixed-use deals, but we'll see how it goes.

Mithila: We're working on becoming clearer in our objectives and our strategies, so we can expand and grow as a business. Watch this space!

WHAT'S YOUR VIEWPOINT ON THE FUTURE OF THE PROPERTY MARKET?

Mithila: Investing in property is a long-term game. You have to approach it with a long-sighted view. If you're in it for the long-term then, whatever happens in the market, is only going to happen for a period of time. And as long as you're willing to ride the waves then it will work out for you. Ultimately if the deal works and when you're purchasing you make your money upfront then you can't really lose personally.

Mahmoud: Yeah, I agree. None of us have a crystal ball in terms of being able to predict what will happen with the property market in the future. We do know that the property prices tend to go in cycles, and it's nice to try and stay ahead of the trend. As long as you're offering quality services at a good price you stand a better chance of staying successful. And just try to read the signs and follow policies rather than prices is what I would say is a key thing.

PROPERTY INVESTORS AWARDS 2017 FINALIST

IDEAL URBAN LIVING

CONTACT DETAILS

Mahmoud Rollings-Kamara
07958742177
mahmoud@idealurbanliving.com

Mithila Rollings-Kamara
07985411442
mithila@idealurbanliving.com

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

YPN SAYS

Goals are your route to the future. Setting goals makes it clear what you are aiming for and keeps you focused. Really powerful goals have an emotional resonance that will motivate you to plough through the challenges and reap the rewards when you succeed.

The people featured in this article are at different stages with regard to property. Mahmoud and Mithila have only recently made a start, while Andy has been working on his property business for some time. However, they all know the value of setting goals and targets to help them achieve what they want.

What we have learned from speaking to them is that support and accountability play a big part in your success. Whether that comes from a formal training or mentoring programme, or from being accountable to partners or other stakeholders, having to *"report back"* to someone else on your progress adds an impetus – it's just too embarrassing to have to say *"Well, I haven't done anything over the past few weeks …"*

Keep goals to a minimum though – stick to what is really going to move you forward. Too many and you'll feel fragmented, pulled in too many directions to make any progress at all. Having long and shorter term outcomes is also useful, as it will help you measure progress towards your longer term *"dream"* as well as allow you to check in to see whether that dream is still valid. Life, the market, rules and regulations, all of these things change over the years, and what was a good plan two years ago may no longer be relevant for you.

Finally, turn to page 20 for some advice from our regular contributors on setting and sticking to goals for 2018!

Move Your Pension into Property in 2018

Marion Ralson, Executive

PROPERTY & PENSION INVESTMENT SUCCESS STORY

Marion Ralson of Oxfordshire decided to invest her £90,000 pension in property 5 years ago, and now looking back over this time, she can't believe how much money she has made. A very pleased Marion explained "I set up A SIPP and invested in property 5 years ago – it was the best thing I could have done with my pension".

In her day job, Marion is a busy executive who often finds herself short of time, and certainly doesn't have enough time to enjoy the luxury of managing property. When she set up her SIPP in 2012, she had the clear vision of investing in a 'hands off' property invest-ment; one that would give her the profitability that comes from investing wisely in property but without the hassle factor (ie the due diligence, the planning, the execution and the delivery).

> 'I made almost £40,000 in the first 3 years'

Turning to The Landlord's Pension for help, (experts in the SIPP/SSAS property and pension sector), Marion achieved exactly what she wanted. "I couldn't believe how simple it was. I requested a home visit in the evening which was arranged with no problem. I put for-ward my proposal
and was told that it would all be taken care of - and it was," Marion explained.
Five years on, Marion is testimony to the success that The Landlord's Pension brings to its clients. "I made almost £40,000 in the first 3 years, and all of it is tax free. I invest in property via my pension but by doing this in a 'hands off' manner it means I can concentrate on other priorities during the day. This is wise investing, handing all of the hassle to others and taking the li-on's share of the reward...why wouldn't you?"

This experience isn't one in isolation. It is the 4th example in the current series of case studies issued by The Landlord's Pension. Whether it's a plot of land for residential development, a commercial property to run your business from or an investment in property just to take the returns, then a consultant at The Landlord's Pension can probably help you.

"My advice is to take action and invest your pension in property now!" exclaims Gareth Bertram, Director of The Landlord's Pension. "Too many people ignore their pension funds until they're approaching 50, and it's only then that they think about doing something with their money. People tend to pay more attention to their ISA, this could be due to a lack of understanding regarding the invest-ment options within a pension scheme. We aim to educate our clients on how a pension can be used to invest in property and since The Landlord's Pension was established in 2004 we are very proud that every one of our clients has increased the value of their pension year on year.

The Landlord's Pension is one of the UK's leading experts on property and pension investing. Arrange a free no-obligation consultation with a member of their team to find out how you can profit tax free, by investing your pension in property.

THE LANDLORD'S PENSION

Property & Pension Experts
Est. 2004

www.TheLandlordsPension.co.uk

0203 9078400

'The best company to work with if you want to invest your pension in property of business'

★★★★★

A RECIPE FOR HAPPINESS

Well this is unusual! I'm sat here scratching my head genuinely trying to think of something to rant about! It's been a really good month – but what should I *FEEL* about this?

Everyone paid their rent this month, our builders haven't come up with any longwinded excuses for time delays or cost variations on our development projects and I haven't had a letting agent bungle their administration and pay another landlord accidentally!

Now I have the fear! What's lurking around the corner? Is this the lull before the storm? Do I carpe diem and enjoy the moment? Or should I be steeling myself for the tsunami of sh*t that is sure to follow?

Actually, as I write this, I'm thinking maybe I'll just jot down a few notes about my own "recipe" for happiness. Things are good at the moment so I should perhaps share why they are good and what has worked for me. It's unlikely to be **YOUR** recipe for success but it's mine – so here's a list in no particular order.

1. **Ensure you have enough cashflow / income to not only pay the bills and get by**, but to treat yourself and those you love to the nicer things.
2. **Be afraid.** If you aren't a little bit scared (or a lot) by what you are doing, you aren't pushing yourself enough. Your next project should be ambitious and audacious.
3. **Surround yourself by brilliant people.** If you are like me you are probably not that great at **ANYTHING!** You are a jack of all trades – so get good at finding the very best to work with.
4. **Only work with people you genuinely get on with.** Life is too short to be spending it with arseholes! Work with people you really get on with (and who happen to be great at what they do).
5. **Get outside.** We weren't built to sit indoors hiding behind screens – I try to walk the dogs up on the hills for at least 45 mins a day. Get your arse away from the desk and get some fresh air.
6. **Don't listen to bullshit.** The world is full of bullshitters – this doesn't mean you have to listen to them! Braggers, boasters, fraudsters, rip-off merchants and fantasists are not worth your time.
7. **Keep an open mind and a closed wallet.** Don't be a skeptical cynic – you have no idea what is possible. At the same time question what you are being told and where possible verify. Don't part with your hard earned money until it passes your own due diligence test.
8. **Make decisions fast.** "Fools rush in" and all that but there is no bigger headache than dithering about something or struggling to make your mind up. Be decisive – make a decision quickly based on as much information as you can gather. Whether the decision turns out to be right or wrong you will almost certainly feel better having committed yourself one way or another!
9. **Train.** Do some exercise at least four times a week. Run, swim, cycle, go the gym or take up boxing – mentally I feel so much better when I train.
10. **Educate yourself.** Whether it's in property, business or other areas of life. Learn a new language, take cookery lessons, learn to surf, whatever really. Learn new stuff!
11. **Don't work too hard!** There will be times when you need to pull an all-nighter or work 18 hours in a day but these should not be the norm. If you can't effectively get what you need to get done in about six hours a day then you are either being ineffective or need to outsource more! Also don't be the sort of person who brags about how hard they work – nobody cares!
12. **Don't whinge.** We all have stuff going on in our lives that could be better, but don't whinge about it. Nobody cares if you are "tired" or "feeling pained" or "stressed" if you are the sort of person who moans about these things a lot.
13. **Say what you mean.** This does not mean being blunt or rude – there's no excuse for that. But if you want to say or communicate something, say it.
14. **Be polite – always.** Some people seem to think they are too busy for manners – those people are arseholes. Be polite – actually make an effort to talk to the person who sells you a pint of milk. You will feel better about things and so will they.
15. **Take what you do seriously but don't take yourself seriously!** You don't have to talk the corporate bullshit and seem like a "no-nonsense kind of guy" to be taken seriously. You can have fun and have a laugh with the people you are working with and they will respect you all the more for it! You are judged on your actions, the decisions you make and how you treat people personally far more than any "image" that you might try to project.
16. **Read YPN.** Well I had to put this on here really, didn't I! Over the last two years I have stepped away from the magazine production to some extent – and YPN is better than ever because of it. I can now look at the magazine and objectively state it's a total bargain in terms of boosting your property knowledge!

There's probably loads of other ingredients for recipes for happiness, but I will run out of space soon and these seem as good a place to start as any!

Happy 2018!

Ant Lyons

Co-Founder • Your Property Network

WHY YOU SHOULD STEP OUTSIDE YOUR COMFORT ZONE AND INVEST IN PROPERTIES

Everyone strives to be wealthy these days. But the truth is that only a small percentage of people in the world possess the necessary drive, determination and desire to make the effort to achieve genuine wealth.

By **Susan Alexander**

@Bigstock.com/AeChan

Avoiding the struggles of life often outweighs the need to be rich and successful. That is understandable; a significantly higher number of people struggle to survive with what they've got than enjoy the finer things in life.

So, it makes sense that when someone achieves something commendable, such as becoming financially stable, that they enter what's known as the **comfort zone**. They may not even do so intentionally, but subconsciously they become afraid of losing the comfort they already have by stepping outside of their parameters.

However, the comfort zone is not a positive thing. A stern effort should be made to break out of it. After all, you only get one life, so why not try and explore every depth of it and see if you can achieve more than you first anticipated? Those successes you dream of aren't going to be handed to you; you've got to push yourself to new heights and commit to becoming a better, happier, more fulfilled version of yourself.

BEGIN BY CRITIQUING YOURSELF …

First, evaluate your current situation.

Sit back, and truly reflect on what you currently have in life. Do you have a nice car? Do you have a gorgeous home? Are you financially stable? If the answer to one or more of those is yes, then you need to alter your thought-process. To do this, start asking yourself things like ***"Would I like to be earning more money? Would I like a nicer car? Would I like to spend more time with family and friends? Would I prefer a more luxurious home? Would I like to travel more?"***

Ideally, you want to be more than just satisfied in life. On the other hand, if you're not currently at that level, you need to assess why. Maybe it's because your comfort zone is an assurance that you won't hit rock bottom? If that's the case, now is the time to find some inspiration and ambition to push on and forge the life that you'd love to lead.

Either way, right now acknowledge what your dream lifestyle looks like, and know that dreams can be turned into reality.

You need to really want to achieve a crazy – or at least higher – level of success from the bottom of your heart. Otherwise you'll always struggle to steer clear of that dreaded comfort zone.

If you now feel inspired to take action, you're probably wondering where to start, right? Well, simply delve into your memory bank and tap into your past experiences. This way, you'll be able to learn certain things from past challenges and (dare I say it) failures, but also, and importantly, utilise learnings from past successes so you know what's required to achieve more success in the future.

Be proud of what you've already achieved. Use those achievements as a benchmark to progress from, to establish a strong, positive and clear mindset that you want to accomplish more, and that nothing will stop you from accomplishing more.

ON A QUICK NOTE

Being able to analyse your own achievements is a great asset. Why? Because it highlights the fact that you've succeeded in the past. Despite the nature of that achievement, you'll know that if you apply yourself in the same or similar way, you can achieve other successes in the future.

CONSIDER A NEW VENTURE TO TEST YOURSELF …

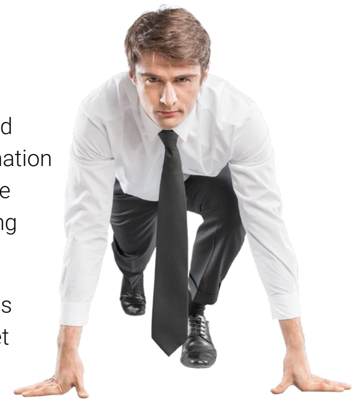
So, if you're ready to step outside of your comfort zone and try to secure yourself an incredible lifestyle, you'll probably want an idea for a possible venture. Property investing is a fantastic option. Whilst it is a challenge, the rewards are worthwhile if you stay consistent and persevere.

The size of the property market is absolutely huge; you've only got to look at the number of properties available for proof of that. To put it into perspective – **around 90% of properties that currently exist could be bought or sold**. This emphasises the sheer enormity of the industry, and also the limitless revenue potential. Unlike most other options in life, property investment directly correlates with your willingness to step outside your comfort zone.

If your drive and ambition is lofty enough, you could continue to scale your business and purchase more and more properties to either develop, sell on or rent. So, while you grow as a person through accomplishments and advancement, you'll also be growing your income stream. Another benefit is that some strategies can make for a pretty passive form of investment.

Yes, you'll need to do some upfront work and general regular tasks, but once you're earning, you typically won't need to do much with it. Although, like I teach my coaching clients, it's crucial you don't become lazy and allow yourself to fall into that comfort zone. Instead, retain the excitement of the challenge and constantly look to push yourself in different ways. That said, you'll certainly be in a position to enjoy life a lot more due to the freedom of working for yourself and the healthier bank account.

HOW TO GET STARTED …



As with any journey, if you want to be successful you'll need to create a solid plan and an effective structure. This plan will need to include a lot of information on how you're going to get from where you are now to where you want to be through property investing. The main thing to focus on at this point is setting yourself some high, optimistic, ambitious targets for the next year.

To remind you of the need to step outside of your comfort zone, those goals need to be of a nature that will almost push you to your limit. If you don't set targets in that manner, you'll never really feel like you're pushing yourself enough. The next logical step is to determine what exactly needs to be completed to achieve them.

For example, if you're setting a target to earn £100,000 in profit from your first year in property investing, then you're going to need knowledge, professional guidance, preferably a mentor, a tailored skillset and tons of information. It can often be extremely difficult to perform all of that in a constructive way when you're stepping into unfamiliar territory, and that's where we can support many people with the specialist help and accountability they need to construct a concise plan. A concise plan has focused information and specific regular actions.

START TO BUILD MOMENTUM …

Once you've had that kick start, and you've dedicated your time and effort to achieving more, then you'll want to avoid easing up. Momentum is your friend; if you have momentum, then you can overcome any obstacles and subsequently achieve anything. But how on earth do you generate such powerful momentum?

An excellent way to do it is to build on what you already know. The more information you absorb, the more knowledge you'll have and the more you can improve as a person and as a property investor.

Build a team of the right people around you – people who will push you, motivate you and support you. Then, you can look at progressing into new areas of property investing, or different strategies to help you achieve even greater results. Putting yourself on a steady, upwards trajectory is not easy and it's especially challenging without a team around you. With a support system behind you though, stepping outside your comfort zone will be much easier than you think.

If you haven't already noticed throughout your life, pushing your own boundaries is very tough. Most of the time, you need someone else with a fresh perspective on things to give you that boost to just go for it. Alternatively, you need someone with realistic opinions and experience who will honestly tell you when you're settling for less than you're worth.

Even with a well-drilled plan, you will undoubtedly still face troubling times. It's in these moments that you'll appreciate the importance of having support and guidance around you. Furthermore, the right knowledge and advice will help you take educated risks for maximum reward, not just unnecessary risks for the sake of taking risks.

Ultimately, by bursting through your comfort zone barriers you'll be opening yourself up to a whole new world. You'll be able to make an awful lot of money, and have a good amount of fun during the process. Also, you'll be able to connect with people on a true friendship level, especially those who are instrumental in your success – you'll be able to continue increasing your income whilst making new friends.

One last thing – it's vital to rinse and repeat the process of stepping outside of your parameters. So, achieve targets and then set new ones. We implore you to see how much you can achieve in your life. Don't settle for anything without attempting to push for more. The moment you do that is the moment you'll see your life pass you by, without ever fulfilling your potential.

If you take anything away from this article, let it be this …

Life begins at the end of your comfort zone!

WELCOME 2018!

So what does 2018 hold in store for you? Well, if you've left it to the last minute then get your pen and paper ready to make some notes! (Looking ahead, put a note in your diary for the end of November to make sure that you work on your plans for 2019 then – these should be part of your overall five-year plan!)

MARK LLOYD

Firstly, your **WHY** is more important than your **HOW**, and that should always be established before any plan of action.

10 POINT GOAL CHECKLIST

Here is a 10 point checklist to help in setting your goals

1 **Don't just think about your goals – write them down!** Unless they are written, they will get lost in the daily grind of new problems, challenges and decisions.

"Reduce your plan to writing … The moment you complete this, you will have definitely given concrete form to the intangible desire."

NAPOLEON HILL

Author of Think and Grow Rich

2 **Dream a little.** If you had every resource available to you, what would you do? Don't pre-judge your ability or worthiness to achieve what your mind can conceive. You are not committing to everything or anything right now, you are just brainstorming ideas.

"The same thinking that has led you to where you are now, is not going to lead you to where you want to go."

ALBERT EINSTEIN

3 **"Go BIG or go HOME." – JT Foxx, the world's #1 wealth coach.** Your mind does not care about the size of your goals. If you dream little goals, you'll get little results. If you set big goals, you'll get big results! And in the main, it takes just as much energy, so why not **GO BIG**?

"The greatest gift that you were ever given was the gift of your imagination."

WAYNE DYER

Author of Wishes Fulfilled

4 **Speak in the positive.** Decide what you want to move forward, and speak as if it has already happened. For example, *"I have £100,000 cash in the bank as at 31st December 2018"* vs *"I will have £100,000 cash in the bank by 31st December 2018"* – a subtle but important difference; *"I own ten houses"* vs *"I will own ten houses"*, etc. Whatever it may be, speak as though it is fact and has already happened.

5 State everything in the 'I am', eg *"I am X"* vs *"I want to be X"*. By focussing on the **'am'** rather than **'want'**, you are programming your mind to accept the **'am'** as normality.

6 **They must be YOUR goals!** A lot of people (and I've been guilty of this too) set goals they think they should have rather than what they truly want for themselves. This maybe under some misguided thought of pleasing someone else – don't let another person's expectations dictate what you truly want. All that will do is give you the illusion that you are not capable and are a failure.

"The greater danger for most of us, is not that our aim is too high and we miss it, but that our aim is too low and we hit it."

MICHELANGELO

7 **Your goals need to align with your values.** Goals must fit your own values, desires and standards – not someone else's. If they do not align with your core values, you will find it very difficult to achieve them.

8 **Find something to fight for.** Without a fight, we all become lazy. We lose our purpose and passion. What or who is your enemy? Imagine you are fighting an enemy – a good enemy gives you a reason to fight, so what are you willing to fight for? What is the enemy to you, your family, your industry?

"If you haven't found something you are willing to die for, you aren't fit to live."

MARTIN LUTHER KING

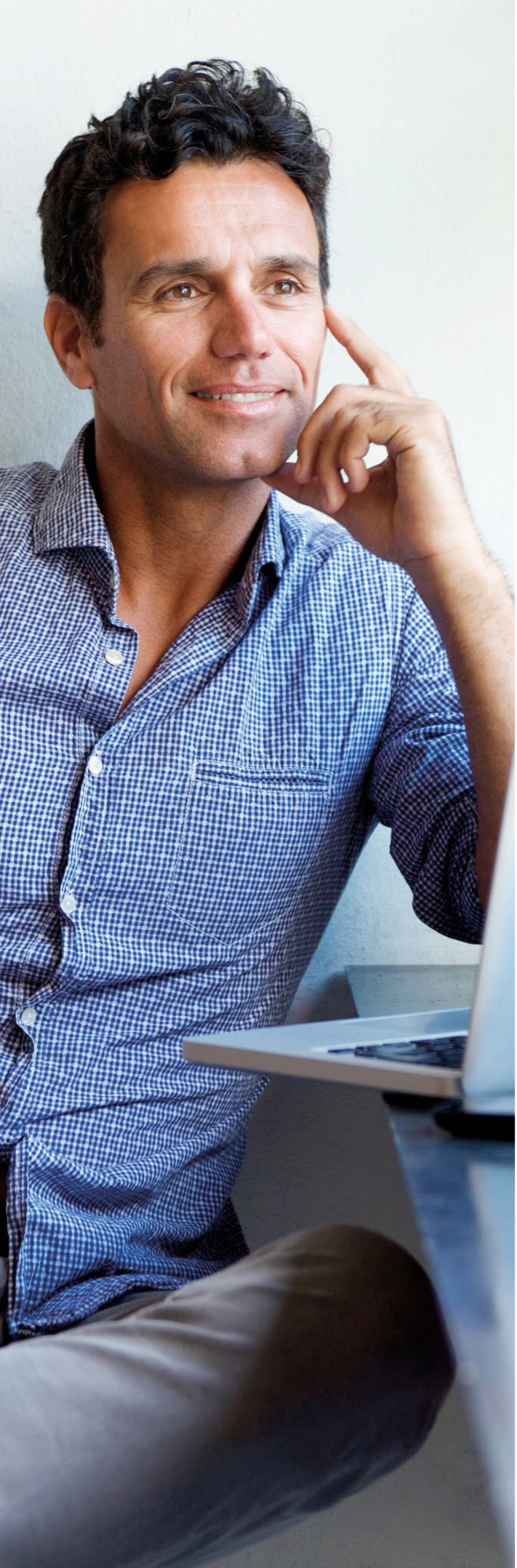
9 **Get rid of your limiting beliefs.** Many years ago you would have seen animals caged for alleged human entertainment. The animals would pace up and down the edge of their cage. When the cage was removed and the animals finally set free, initially they continued to pace up and down to the exact size of the cage they were in previously. You see, they had become conditioned to a particular environment and only by removing that environment could their limiting beliefs be changed.

So, what are your limiting beliefs? What is it that you think you cannot do?

10 **Be fearless.** You must have a do or die attitude, go that extra mile, step into the unknown … as only through the experiential can we truly learn.

I think this quote from Marianne Williamson's book A Return to Love sums it up:

"Our deepest fear is not that we are inadequate. Our deepest fear is that we are powerful beyond measure. It is our light not our darkness, that most frightens us … Your playing small doesn't serve the world. There's nothing enlightened about shrinking so that other people won't feel insecure around you. We are all meant to shine as children do … As we are liberated from our own fear, our presence automatically liberates others."



GET SMART!

So now let's get down to the nitty gritty!

I'm sure you have all seen this before but it is worth repeating the S.M.A.R.T. goal check:

Specific

The goal needs to be well-defined and understandable to everyone else. For example:

- **Become financially free (not specific).**
- **£10m portfolio comprising 100 BTLs, ten HMOs, five commercials, located in X and producing Y per annum (specific).**

Measurable

You need to be able to measure your progress. For example:

- **Get fit (not measurable).**
- **Lose 25 pounds by X (measurable).**

Attainable

This is where you plant your feet firmly on the ground. It may be raised ground, but it's solid ground nonetheless. Your goals need to stretch you, push you to go farther and faster than you ever thought possible; at the same time, you don't want them to cripple you if they are not really attainable, even if you operated at the highest level possible.

Relevant

This is one of the most important criteria. Do your goals align with your values, who you are and what is really important to you in life?

Time sensitive

Deadlines create a challenge and people respond to the challenge of deadlines.

Are you goals for 2018 S.M.A.R.T.?

Now look back at the goals you have set and be sure that they represent each area of your life in a balanced way. The main goal is whole-life success. Your goals are your way of navigating the direction of your life, so take the time and respect that this task presents – no short cuts!

The very last part of this is to become accountable for what you say you are going to do – become committed. So my challenge to you is to share your goals not only with your family but also a third party, ideally a coach or mentor who will hold you to account.

If you want to share your goals with me, then drop me an email to: **mark@propertymasteryacademy.co.uk**

I wish you every success in 2018.

Mark

Mark Lloyd is co-founder of Property Mastery Academy, a company that educates property investors. For more details of the courses they offer visit: **www.propertymasteryacademy.co.uk**

2018 COULD THIS BE "YOUR" YEAR?

GRAHAM KINNEAR

As a regular attendee and speaker at property events around the country, I increasingly find that property folk use the Christmas break to focus on their plans and aspirations for the coming year.

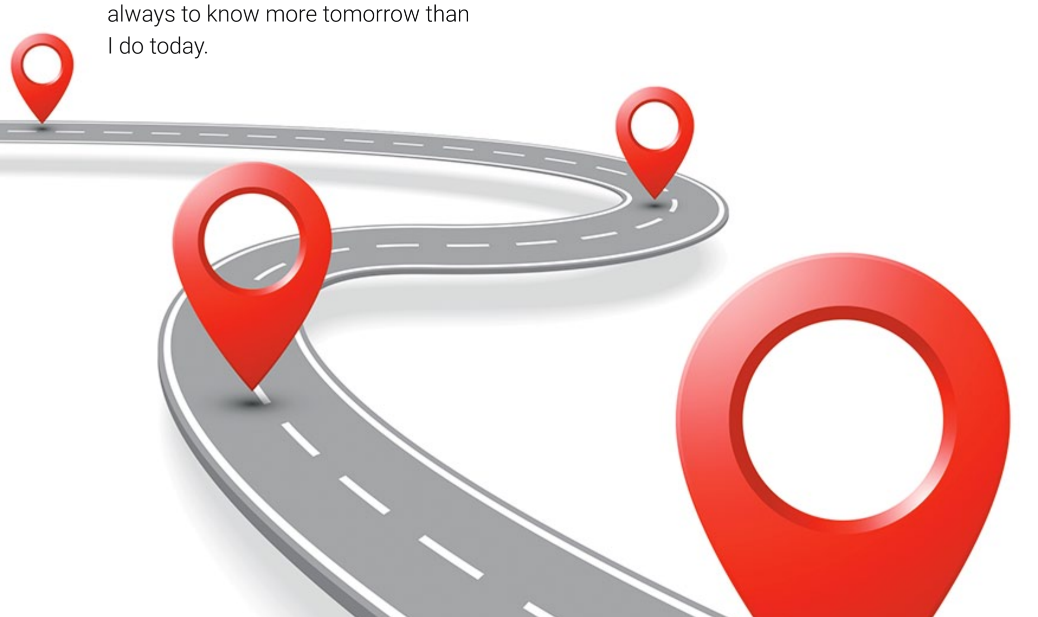
This is in my view an incredibly worthwhile task. By targeting yourselves, you are taking accountability for your success and setting a level that you can focus on meeting – and hopefully beating.

Don't worry if you instead spent the holiday season with your feet up. It's not too late to put a plan together to ensure your 2018 is your best year yet!

In preparing your plans for this year, take a look back to 2017 and assess the things you did. Which were successful, which did you really enjoy, which do you feel confident enough to tackle this year that you may not have been so willing to undertake in 2017? Equipped with this information, you can set yourself a challenging yet achievable target, which should be both enjoyable and profitable as you work towards it.

What we are looking for here is a bit more structured than a New Year resolution. Instead, I suggest you create a road map of what you want to achieve in 2018 and provide yourself with a plan which shows how you will get to your destination.

As well as annual targets, I also set myself quarterly targets in terms of what I want to achieve for all aspects of my business, including my property portfolio, consultancy services, training and surveys. Additionally, I include in my target a quantity of self-development, either by way of private reading or attending courses. My aim is always to know more tomorrow than I do today.



Historically, property investors would frequently set their annual target as one which involved them increasing their property portfolios. This may be your plan for 2018; however, with the advent of Clause 24, I believe many landlords will be focusing on deleveraging their properties and paying down debt to ensure that their overall portfolio still produces a positive net cash flow. If you haven't done so already, run the numbers to see how the tax changes will impact your portfolio.

> "As well as annual targets, I also set myself quarterly targets in terms of what I want to achieve for all aspects of my business"

If you are undertaking developments, the new year is probably as good a time as any to assess your thoughts in terms of house price change for 2018. Depending on your views, that will perhaps determine whether you undertake a short term or longer term project. This should be done on a site specific basis. Bear in mind that 2017 saw some softening of the London market but yet incredibly strong growth in the neighbouring region of Kent. Intimate knowledge of your area will continue to pay dividends throughout 2018.

Indeed, you may have also assessed your business from the point of view of both demand and the number of competitors operating in your area. There are increasing reports of saturation in the HMO rooms market, student market and the serviced accommodation sector. The ones who are successful are those who closely monitor the market in their area of operation and can adapt to any changes swiftly.

You may also consider changes in the way you fund your property investment. Recent changes in buy-to-let funding mean enhanced application checks and increased rent coverage, whilst the less traditional methods such as JV funding, crowdfunding and the like are becoming increasingly popular. Perhaps 2018 is the year that you discover some different methods of raising finance?

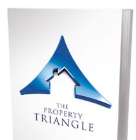
Following the mantra that "your network is your net worth", why not try this year to attend an extra property event each month. You will doubtless meet some new and interesting people, and it is all but guaranteed you will stumble across some interesting property opportunities. This should be an easy one to incorporate in your targets as such events are generally very enjoyable and, being in the evening, do not eat into your working day.

My final suggestion for your annual target is to try something you haven't done before. It may be a different property strategy, it may be expanding into a different geographic area or it may even be something completely unrelated like learning another language or a musical instrument. Whatever you choose it will broaden your mind and expose you to new experiences and new people.

Whatever you decide upon, may I wish you every success for 2018! Let's hope it's "your" year!

As always I am happy to assist YPN readers with any of their property issues. You can contact me on 01843 583000 or graham@grahamkinnear.com.

Graham is the author of
"The Property Triangle"



HOW TO GET THE MOST OUT OF 2018

ARSH ELLAHI

Hi Arsh

Every year, I tell myself that this year is going to be the best year ever. However upon reflection it has appeared to be mediocre and I have not progressed as much I would have liked. What can I do to make 2018 the best year yet?

Mr Tynley, Somerset

Thanks for getting in touch Mr Tynley, and may I take this opportunity to wish you a happy new year and a prosperous 2018.

Let's get straight into this. To be successful, you have to take yourself out of your comfort zone, take a good hard look at where you are and face the things you might have been putting off.

Below is the process (in brief) I guide my Elite Property Tribe members through during the initial stages.

Step 1 Audit yourself

In order to know where you are heading, you must first understand where you currently are. Therefore you must ask yourself a series of questions:

- **What goals did you set yourself in 2017?**
- **What strategy did you decide to follow?**
- **What went wrong?**
- **What went right?**
- **What are your strengths and your weaknesses?**

At this point it is imperative to be harsh and brutally honest; after all, this is where you can really kick yourself up your backside and ask yourself why you did not meet those targets.

Personally, I believe this is the most important factor. It opens my eyes to exactly what has happened. With so much going on around us on a day-to-day basis, it is so easy to lose focus, therefore doing an audit at the end of every month is also important. If I leave it too long, I could very easily go off track and ultimately lose focus on my goals.

Step 2 Set your vision

"Where there is no vision, there is no hope"

GEORGE WASHINGTON CARVER

Take a moment to let that sink in.

Vision is about creating a short statement that will guide you over the next three to five years, or however you determine the timeframe.

Vision can vary according to your business. Personally I have set short, medium and long term visions.

I use **short term vision** to generate enough cash flow, which inevitably would fund my **medium term vision**, and then ultimately my **long term vision** is to retire on my 45th birthday. To break this down in property terms:

Short term Generate cash flow quickly. I classify this as my deal sourcing strategy and also Rent-to-Rent strategy

Medium term Continue to build my portfolio. Over the past year, I have purchased 50 flats, all below market value, which will allow me to reach my long term vision

Long term Retire on my 45th birthday. Although I call this a vision, I have already put it into an action plan with the aim of portfolio debt reducing to £0 on the night before my 45th birthday.

Your visions should be specific enough to say something about what you will do – and equally what you will not do. It should be capable of driving the organisation to achieve a common goal, and be motivational enough so that you have a constant reminder of what you are trying to achieve when the going gets tough.

Without a vision, a business is like a ship without a rudder - in danger of drifting aimlessly. Many small businesses lack a clear vision, and so tend to jump from task to task without a clear understanding of what bonds the individual actions together and/or the value created by the individual actions. Your vision should provide the cornerstone for everything that you do in the business.

Step 3 Educate yourself

Have you ever heard of the saying ***"You don't know, what you don't know"?*** Never was there a truer sentence ever spoken. The question is, knowing that we don't know everything, how can we find the answers to what we do not know?

The answer is ironically obvious: look outside. I'm not talking about some existential vantage point, I mean literally, look outside. Step away from your desk and do something, see something, read something or listen to something that has nothing to do with your work. Do something that has nothing to do with what you know.

Most of us stay in our industry to become better at what we do. We read our own industry's trade press, we attend our own industry's conferences, we talk to others from our industry and we take classes offered by "experts" from the inside. Though we may learn bits and pieces this way, we can never learn to innovate and solve problems or think in new ways like this. To truly think differently, we need to look way outside our own industries. If we see and learn how others solve problems, we can adapt and apply the same lessons to our own work.

Over the last few years, among other things, I have found some real inspiration from:

- **Other property investors and their experiences**
- **Business networking meetings**
- **Property networking meetings**
- **Online webinars**
- **Business podcasts**
- **Property podcasts**
- **Reading business books**
- **Reading other property-related books and articles**
- **Social media forums**
- **Property workshops run by true professionals who have weathered the storm of at least two recessions**

It is worth noting that everything has to be taken with a pinch of salt. Not everything you read is cast in stone and can sometimes be simply an opinion. The key here is to differentiate fact from opinion.

Technology has allowed us to have access to such much information, so readily, that sometimes we take in too much; this can have a negative effect leaving us more confused than when we started.

You have to be clear on your strategy and your vision, and then follow and learn from the people who share that vision or who are on the same journey.

Step 4 **Mindset**

"To create something exceptional, your mindset must be relentlessly focused on the smallest detail."

GIORGIO ARMANI

The mindset you adopt will either make or break you. It really is as simple as that. I wrote a book called ***Boom, Bust & Back Again***, and as the title suggests, property has not always been an easy journey for me. If you go to any networking event, I am sure you will also meet plenty of other investors who have property-related scars.

"What I find most fascinating about property people is the way they deal with problems"

Earlier this week, one of my mentoring clients completed on the purchase of a block of flats. During the purchase process he encountered a number of problems, which included:

- **Lack of planning permission**
- **Lack of building regulations**
- **Discrepancy in valuations and valuer's comments**
- **Discrepancy in tenancy agreements and rental payments**
- **1st JV investor pulling out**
- **2nd JV investor having cold feet**
- **Solicitor asking him to seriously re-consider this as a viable project**

This would have put off many investors off, as all they would have seen and heard is problem after problem, but he said:

"They threw 101 problems at me, but I found 102 solutions."

I have complete admiration for this man, who I know will have a long and successful future in property.

If you refuse to take 'no' as an answer, the world is your oyster. Be prepared to experience some failures, as not everything will go your way. Anyone who tells you that everything has been a complete success and a breeze is simply lying. I like to produce Plan A, B and C scenarios, so that if Plan A does not materialise, I can still resurrect the deal by referring to Plans B or C.

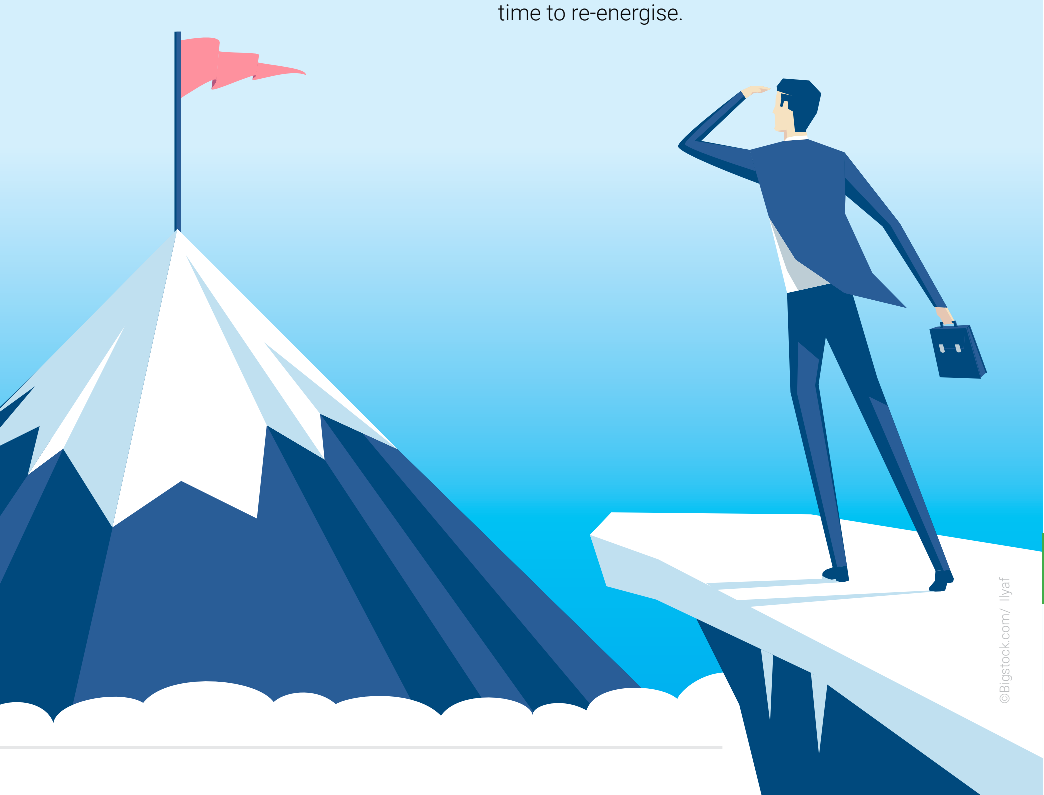
We can take all these 'no's' and use them as proof that we shouldn't move forward with our goals. Or we can learn from them, release them, and then keep moving ahead, driven by a deep internal 'yes' that refuses to be ignored.

Today, if you come up against rejection, remember: this does not mean "no." It just means "not this way."

Step 5 **Stop, evaluate, tweak and continue**

Finally, it is fair to say that Steps 1-4 will take their toll on you mentally and physically, so Step 5 is all about looking after **YOU**, as without you, none of this would be possible.

Take a mental and physical break, and use this time to re-energise.



©Bigstock.com/ Ilyaf

I generally take a break every two months, even if only for a long weekend, and I reflect on what has happened within this period. I then run through Steps 1-4, asking myself:

- **What I have done, and take stock of where I have got to**
- **The results of my actions**
- **What I could have done better**
- **What the potential results would be if I were to tweak my method and practice**

The key is to make minor adjustments to how you operate your business. Make one small adjustment, and then another, and then another, over and over as you work on your business each month. Savvy entrepreneurs know that the road to success is paved with ***tweaks*** – a series of small actions that can create big results.

Relating this to property, for example this could be:

- **Tweaking your marketing to find more direct to vendor deals**
- **Tweaking your systems and processes to allow you to become more hands off**
- **Increasing your marketing to attract more JV partners**
- **Improve your offering and deal funnel / pipeline**
- **Improving the quality of your portfolio for less management**
- **Improving the customer / tenant relationship for longer term tenant retention**

As you can see, these are minor changes that can make a massive difference and sometimes you just need to step back and look from 'the outside, in' to see how someone from the outside would assess your offering. It may also be worth asking a colleague what they think about what you have created and where they believe you could offer better value.

Criticism is a form of communication

If someone has a criticism, it means they want to give you feedback on what you're doing for them – that is an opportunity to learn more about the person you're working for and how to convert them into a satisfied customer or audience member. Take a moment to think before you respond to what they're saying – in business, working with someone who is patient and able to receive and act on criticism means both parties can work towards a better outcome.

Feedback helps make your product stronger

If you always think you're right but don't get feedback from anyone else, how do you know for sure that what you're doing is any good? Whether you're selling or performing, whether it's a product or service, listening and acting on those honest views will tell you precisely what's good and what can be done better. Use that information to change your performance, service, exhibition or event – sometimes it will make for uncomfortable listening but it can make your product stronger as a result.

> **If someone has a criticism, it means they want to give you feedback on what you're doing for them**

It forces you to think about how you work

Constructive criticism can guide you away from bad practices and towards good ones. Try to be objective and look at what you're providing as though it's not yours. This can be particularly difficult when you're deeply involved in a project but, if you can take a step back, you might see how to improve your way of working and avoid any negative outcomes down the road. Did you need a more specific brief? Was there something you missed in the early stages of the project? Is the performance deadline too unrealistic?

The right kind of criticism can give you an advantage

Think about it: if you can get a customer to tell you – and just you – how to give them the perfect product or service, that's information you've got that no one else has. That puts you at an advantage over anyone else in your sector and can be used again in the future to get things right, even faster. Find ways to squeeze that information from your client or audience and get them to tell you what they really want.

Finally ... don't take it personally

Don't take it personally if someone doesn't immediately like your work. Even if you feel you're being criticised unfairly, don't retaliate with an extreme knee-jerk reaction or else you can irreparably damage your prospect of working with that client or audience, and even harm your reputation as well.

There will be occasions when you feel the criticism is personal and, now and then, you'll be right. People are fallible and it's important to remember to not be offended by someone's remarks. However, a good professional is able to take criticism on board and not respond as though it's a personal attack. They are also able to make it work to their advantage or, if all else fails, politely conclude the partnership and leave with their reputation intact.

MY GREATEST ACHIEVEMENT OF 2017

Some people forget to celebrate their success. Tell everyone what you have done and enjoy that moment. After all, you deserve it. Onlookers will become interested in what you have done and that may become the stimulus to other avenues such as JV opportunities.

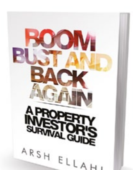
Reflecting upon 2017, one of my greatest achievements was the creation of the Elite Property Tribe. Over the year, I took on 80 people with very little property experience and turned them into deal trading machines. That was a real challenge for me – to teach people skills and make them accountable for the next 12 months. The group included police officers, surgeons, letting agents, property investors, students, electricians and other property professionals. Many exceeded expectations and have gone onto great success. Some even decided to leave their full-time jobs, and one member achieved £100,000 within her first year.

The next Elite Property Tribe programme starts on 01 February 2018. Visit **www.arshellahi.com/elite-secrets/** for further information.

Email: **arsh@arshellahi.com**
Web: **arshellahi.com**
Property deal mailing list: **Bit.ly/DailyBMVDeals**
Elite Property Tribe: **elitepropertytribe.co.uk**

Facebook **https://www.facebook.com/arsh.ellahi.1**
Linkedin **https://www.linkedin.com/in/arshellahi/**
Twitter **https://twitter.com/arshellahi**

Arsh Ellahi is the author of **"Boom, Bust and Back Again: A Property Investor's Survival Guide"**



YOUR PROPERTY PROJECT

MINI-MO

Investor: Julian Maurice

Interview: Ant Lyons Words: Angharad Owen

In the second of this series on the impact of design on *YOUR* investment properties, this month we speak to interior designer Julian Maurice, a familiar face in the pages of YPN.

By talking us through one of his latest projects, Julian explains why and how he chooses the materials that he does, how important it is to have a well-designed product, and how design can influence your property, void rates and profits.

YPN: Julian, tell us first of all about your model and strategy.

Julian: I work with small HMOs of four bedrooms or less, meaning they're all unlicensed. It's a strategy that allows me to build a small portfolio of properties that I can manage myself. Renting out rooms is nothing new, and I'm not looking to build a big business, I just want to have good cash flow and a security blanket in case of financial emergencies. Plus a pension! I'm in it for the long-haul. I've noticed that there's a belief that you need five-plus bedrooms to make an HMO function – but I think that's a very recent development.

> **"Ever since I started out in property, my decisions of what I can and can't buy have been ruled by my budget"**

You don't need five bedrooms, especially if you're buying at the right price and you're happy to be an active landlord.

I am a firm believer of 'less is more'. Think of it this way: if you hand your property over to a lettings agent, the amount you're paying in commission could quite easily be the equivalent to losing a bedroom. If you're managing it yourself, you don't need that extra bedroom in the first place. As I'm entering the market at a lower price point and not using a lettings agent, my three-bed is just as profitable as a five-bed.

YPN: Your projects are mostly design-led, does that mean that it costs more than "vanilla" projects?

Julian: Like everybody, I'm restricted by budget. Ever since I started out

in property, my decisions of what I can and can't buy have been ruled by my budget. I only go with what I can afford. Everybody tends to go to the same stores and therefore ends up buying the same things. I'm no different – I also go to the same shops, and am buying the same materials; I'm using the same paints, the same kitchens and probably spending a similar amount on tiles as everybody else. But I make smart purchasing decisions. I plan every material purchase to ensure it matches, works with the room and looks good. Searching around for the products that go together and complement each other doesn't cost any more. It's just a few days of shopping.

YPN: How do you know what works and what doesn't?

Julian: I've explored what makes good design good. For example, I've studied some of the great designers: Dieter Rams, who created the ten principles of great design; and Terence Conran. By looking at their principles of design, it's clear they have a certain way of applying colour and materials, among many other things. I've observed what they do and then applied it to my product. I follow a rigid set of rules and disciplines when it comes to design. Many people just pick a random colour for the wall and that's that, but there's a science behind the application of colour. It's the same with the choice of finishes and materials. Once you understand the principles of design and don't stray from them, you're going to get something that looks balanced. When you walk into the room, it will look just right.

YPN: Some of your properties look pretty funky. Do you have a set demographic or does everybody love these properties?

Julian: In some respect, everybody likes good design. Generally, the HMO model tends to cater to young people in their 20s and 30s, so they are my typical tenant. I'm fairly certain it's the same across the board. However, as a result of tenants being quite young, they haven't had an opportunity to build a credit record yet – that's one of the main problems with HMOs. My ideal tenant has a good job and a track record behind them. I have tenants at the moment ranging from bio-chemical engineers to a Euro Disney Minnie Mouse, to a sous-chef, and everything in between! There's a real mixture of people, but they're all young and have decent jobs.

"Generally, the HMO model tends to cater to young people in their 20s and 30s, so they are my typical tenant"

FRONT RECEPTION ROOM

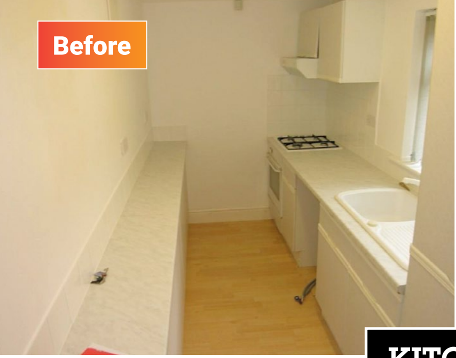
YPN: How does good design influence the levels of rent we can charge and void periods that we inevitably get?

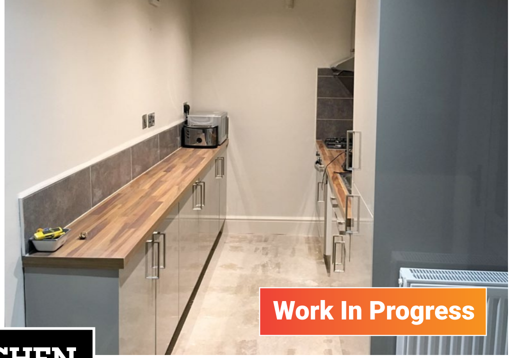
Julian: I've been working for myself since 2002, and the one thing I can say for certain hand-on-heart about business is that you will have good months and bad months. There is no guarantee in anything. One minute you'll be doing really well, and the next you've got a huge amount of competition and what worked last year doesn't seem to be working this year.

Relating it back to design, I've learned that good design sells. A product that is well designed and looks good will sell much faster than one that isn't. Most people will create a product that is average, so if you create something that's above average … straight away you're going to be noticeable and will be able to stand out amongst all the clutter.

It's a basic business principle of mine, and it's been that way since I started renovating properties in 2002.

However, good design doesn't necessarily correlate with net increase. If you've got two properties that are pretty much the same in terms of rooms, bathrooms and rent, but one is well designed and the other is average, three guesses which will sell faster? Where I'm based, it's not unusual to have an empty room for eight weeks or more. If I put an ad online priced the same as my competition, it'll be gone within a week and I don't have a void. Whereas the others are empty for





KITCHEN

weeks or even months later. A lot of people believe that they can charge more for good design, which is possible in areas with high demand. But in areas with stiff competition, like mine, you won't be able to charge more but you will sell your room faster than everybody else. If my room is rented, I know I'm making a profit. Whereas my competitor who has an empty room for eight weeks is making a loss.

YPN: Why don't more people consider design-led projects when renting out properties?

Julian: Because they're not designers. Using Apple as an example, Steve Jobs said, *"it's not about the money, I just want to create a great product."* As soon as he left Apple and the money people came in, it became about making the product as cheaply as possible and selling it for as much as possible. Their focus was entirely on the profit, and they started to lose money. It's exactly the same with any product you're selling to a consumer. Many investors out there don't see the benefit of good design because they're numbers people. Spreadsheets are all very well and good, but assuming that it will work because it's on the spreadsheet isn't how the world works. If you don't make a desirable product, then it's going to be harder to sell. As a designer, I know that if I design a great product it will sell, therefore the numbers will fall into place.

In pretty much every market where there is a lot of competition, it's clear that most products sit in the middle of the market because they're average. These are the money people who don't focus on design.

"Many investors out there don't see the benefit of good design because they're numbers people"

Total Refurb expenditure	£16,860.61
Purchase price	£80,000.00
Deposit + Stamp Duty	£24,900.00
Total expenditure	**£41,760.00**

JV Partner Loan	£20,000.00 + Interest £4,000 2yrs
Total Loan	£24,000.00
24 payments of	£1,000.00

REFURB EXPENDITURE

Description	Amount
Conveyancing	£331.00
Lighting and electrical	£378.08
Locks and door handles	£334.86
Tiles and adhesives	£102.79
Kitchen doors and appliances	£1534.98
Fire doors	£832.69
CREDIT	**-£34.03**
Window blinds	£284.57
Skip Hire	£90.00
Switches & Sockets (Kitchen)	£51.28
Door closer	£20.99
Misc Materials	£127.65
CREDIT	**-£22.18**
CREDIT	**-£33.26**
Door closers	£83.04
Skip Hire	£70.00
Parts and joinery materials	-£103.33
Labour	£1,950.00
Wallpaper	£117.36
Dining table	£77.00
Plaster and bonding	£31.26
Euro Profile Cylinders	£104.34
1000 base unit to replace damaged item	£102.96
FURNISHING Artwork	£70.75
Cleaning materials	£8.50
Paints	£16.50
Plumbing Materials	£10.80
FURNISHING Fixtures, shelves	£199.90
Washer and Fridge Freezer	£532.86
Blankets	£30.00
Paints	£373.56
Sundries	£807.14
Furniture & accessories	£429.75
Heating install	£2,549.00
Landlord web services	£325.00
Re-wiring and electrical	£2,520.00
3 + 1 Sofa	£628.80
Fitted wardrobes x 2	£1,200.00
Misc suppliers	£194.00

One of the reasons why it's becoming a trend to focus on design at the moment is because the markets are becoming more and more competitive. In a competitive market, there are three options: drop your price, create a higher quality product or do nothing. But we all know what happens if you do nothing.

YPN: Talks us through the finished product you've chosen to share with us.

Julian: It was an average terraced two-bedroom house. It was quite dated inside, but everything was in good condition. One of my criteria when I look at houses is for it to be in good condition. Although this property looked dated, all the walls had been replastered, and it had new woodwork. The kitchen looked old-fashioned, but the carcasses of the cupboards were immaculate. I realised that I could turn it into something great without it needing a new kitchen and bathroom and all the usual updating a place needs.

I upgraded the kitchen by installing new worktops, cupboard doors and end panels. I replaced the horrible laminate floor and put down some self-levelling latex screed. And then put in fire doors, redecorated and furnished it. One of my main priorities is storage so I installed bespoke storage fittings.

I don't want to be doing refurbs every five or seven years, I want my furniture to last 20 years. I focus on durable, quality, bespoke fitted furniture, which I know will pass the test of time. On this project, not needing to pay for a new kitchen or bathroom allowed me to spend a little more on fitted furniture, durable carpets, better paints and doors, etc.

YPN: Talk us through the financials.

Julian: There are loads of two-bedroomed terraced houses in my area. This house was £80,000 to buy, and the fact that it was cheap was probably down to it looking dated inside. I didn't have a huge amount of competition from other investors, because they tend to ignore terraced houses. They're drawn to larger properties as they prefer extra bedrooms to be able to afford to use a letting agent, as I've mentioned before. I don't have that issue, so I can afford to get the smaller properties.

I spent around £20,000 on it, and by putting in the fire doors and fire alarm systems, etc and the upgrades needed for an HMO, the house is now probably worth around about what I've spent on it.

YPN: How have you structured your purchases?

Julian: I borrow deposits from investors at a fairly good rate, then repay using the rent and a little of my own money. I calculated that I had a two-year payback period before I fully repaid them.

BATHROOM

PURCHASING COSTS

Bespoke Finance	**Survey fee**	**£365.00**
Swatalski's	**Fees**	**£250.00**
Bespoke Finance	**Fees**	**£100.00**
Funds returned	**BM**	**-£286.00**
		£429.00

MONTHLY EXPENDITURE

Date	Payee	Description	Amount pcm	
Annual	TV Licence	Colour TV Licence	**£12.12**	(£145.50 / 12) Renews 1st Jan 2017
Monthly		Mortgage	**£157.00**	
Monthly	Yorkshire Water	Water rates 10th	**£23.80**	(QT is £32)
Monthly	Council	Council Tax	**£99.00**	14th of every month DD
Monthly	Plusnet	Broadband	**£30.98**	£29.98 after Dec 2016
Monthly	EDF Energy	Gas & Electric	**£87.00**	
Annual	CIA Insurance	Landlords Insurance	**£13.00**	
Monthly	Cleaning		**£50.00**	
	Total expenditure		**£472.90**	
	Payments in when fully let		**£1,120.00**	
	Funds remaining		**£647.10**	

So I've not made any profit myself until very recently, but it makes for a solid cash flow investment for the long term.

I've also been focusing on my other business because it's essential to have a good income to be able to buy property in the first place. I use my own money for the refurb, and having an LTV of 75% means that I don't have to borrow huge amounts.

YPN: Do you factor in capital growth?

Julian: No, I don't factor capital growth into my calculations. When you're in a market where there's healthy capital appreciation, the all-money-out model is great. But doing that where I am is a dangerous game to play. I don't borrow heavily as I'm looking for cash flow, not turnover. In my opinion, a heavily leveraged product is a liability, and I'm looking at building a solid and profitable asset. At the end of the day, I want to have a profit and a pension. It's important to look at the longer term. My ultimate goal is to bring down any borrowings as much as I can so that if in the future there is any capital growth, the worst-case scenario would be to sell a few properties to pay off the others. I'm then in the situation where I own the remaining assets in cash. And I can keep all the income. I don't want to over-gear and over-leverage because there's going to come a time when I'm going to have to pay it all back.

> **All I want is a stress-free life and freedom to do what I want, when I want**

If everything is interest-only and I'm hardly making any profit, then what would be the point? I don't want to end up in the situation where I'm taking money out of one house to buy another. There are people out there who are amassing a huge amount of leverage on a big portfolio of properties that they don't own. I don't understand the concept, it just doesn't make sense to me. It all comes back to how much you need to live off.

If you have an expensive lifestyle, then you need lots of money. I have no desire to drive expensive cars or to live in a huge mansion. All I want is a stress-free life and freedom to do what I want when I want.

YPN: Would you say that design is your main driver when it comes to creating these products?

Julian: No. I'm driven by profit. There's no point in doing anything if you're not making money out of it. It's the same thing when talking about leverage. It's all well and good saying I've got infinite ROI, but if I have no profit, then it doesn't make sense. I do have pride in my interior designs, but the reason why I make the properties look good is because I want better tenants. Better tenants give me less grief. Less grief means that I have more time on my hands. The more time spent on my business, the more it takes away some of my profit. As it stands now, I don't spend much time maintaining and managing the properties. They're very easy to run. And if I do have a rare void, I can afford to cover it.

YPN: I think that makes for a better quality of family life, too, and being able to do more of the things you want to do … like being a "teenager's taxi-driver" – I've seen a few of your Facebook posts about that!

Julian: Every time I make a little bit more profit, the kids seem to absorb it all! You've got the private lessons and university to fund, as I don't want them to be burdened with debt moving forward. A lot of my income from the properties allows me to give my kids a bit of a leg up in life. I spend as much time as possible with them, which is the bonus of having freedom. If you spend all your time accumulating wealth, but spend no time with the people that you love, then where's the benefit?

YPN: How can our readers and listeners find out more about what you do and get in touch?

Julian: All I do is teach people how to create a great product. I host interior design and refurb workshops and I also do a small amount of mentoring. People generally approach me if they are interested. I interview them first and will only choose to work with them if I can get results. If you are interested, then you can get hold of me through my website by filling out a contact form. When I receive that, I'll get in touch.

BEDROOMS

Find out more about Julian at
www.iconliving.co.uk

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

Come and say hello!

Have you checked out YPN's subscriber web site yet?
yourpropertynetwork.co.uk/club

You'll find a stack of resources there to help you with your property investing, including ...

- **Back issues**
- **Webinars and training videos**
- **Years' worth of audio interviews with successful investors**
- **And more to come over the next few months!**

If you haven't already got access to the subscriber area, email **getmein@yourpropertynetwork.co.uk** (or send us a Facebook or Twitter message) to get your login account and password.

Keep up to date with news and property happenings on our Facebook page (**facebook.com/YPNmagazine**) and contact us via Twitter: **@ypnmagazine**

See you there!

Jayne

1 How to... INSTALL A KITCHEN

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

Welcome to my new series, designed to help you to get the best out of your refurbishments. This month we are looking at kitchens. As the room that gets used the most, it's important to get the kitchen right, so whether you're doing a buy-to-sell or an HMO or single let, you will always want to do some work on the kitchen, and here's how.

START WITH THE END USER IN MIND

Single let

If you are taking a property that's perfectly habitable, and renting it on an AST, you may not need to do anything to the kitchen at all. It may just need a good clean up.

HMO

If you're going to change the use of the property from a family home to an HMO, you may need to repurpose the space by adding some cupboards, a second cooker, oven, sink or you may need some additional space for a second washing machine.

Flip

If you're refurbishing to flip then you must put in a brand new kitchen. The buyer will expect it. Even if the kitchen that's in the property is, say, only five years old, they will notice it and it could be a deal breaker.

CHOOSING PRODUCTS

There are different factors affecting the choices you make depending on your audience. Choose wisely. Try not to be too modern but it's important to keep up with the competition.

Holding a property

Buy products that are hard-wearing, long lasting and easy to maintain or replace. Choose colours and styles that won't go out of fashion quickly.

Buying to sell

Quality is important. Buyers often look for gadgets and gizmos. They want a kitchen they can show off to their friends, so you might want to put in a fancy carousel corner unit, some usb power points and some really fancy taps.

> A kitchen has a 10-year life span but in a HMO where you have heavier use you may need to replace it more often

PLANNING YOUR KITCHEN

Here are a few tips to help you to make the most of your kitchen:

Always think it through

Do your own plan before you enlist the help of anyone else. The designers at Howdens or Magnet often won't know what HMO regulations are, so you need to know what you want (number of cupboards, two sinks, two cookers, etc) and be ready to discuss it with them. If you've already thought about how it might work then you stand a better chance of getting what you want.

Avoid reconfiguring services if you can

Moving sinks and hobs requires moving services, which always adds to the costs, so if you are trying to keep costs down, keep them where they are.

Discuss and question the design

The kitchen designer will always design what 'looks the best' but they won't have your objectives in mind or be thinking like a property investor. You won't necessarily need everything on every project, so don't be afraid to remove items you don't need, such as pelmets and cornices. Question everything and work together to get the design right for the project and your budget.

REMEMBER

This is not your house, so it doesn't need to be your dream kitchen. It just needs to be a functional space that is clean, bright and usable for whoever lives in it. Think about usability and appropriateness for the target market.

Double check plans and drawings

You are the closest person to the project and the kitchen designer has probably been to the property twice (if that), so always double check the technical spec and drawings before making the purchase, otherwise you risk the kitchen being delivered and the builder complaining something is wrong, then it has to go back, which causes unwanted delays.

Don't be afraid to ask

Merchants such as Magnet and Howdens will always do you a deal, as they want to get rid of things, although, be wary of 'landlord packs' because sometimes they will sell you things that you don't need, or they'll dress it up as a deal and it's not a deal.

Consult your builder

Always consult your builder about the kitchen you have planned so he can price the installation accurately and advise on certain aspects of it. Also, remember, although he doesn't need the actual kitchen for a few weeks he will need the kitchen plan so he can plan the pipework, electrics, etc.

Refresh and repurpose

For a single let or HMO there are plenty of things you can do to refresh rather than replace a tired kitchen. Repurposing worktops and cupboard doors is a good way of bringing up the quality of a kitchen and it's certainly a relatively economical way of doing it. But always check if it's possible to replace the worktop without changing the tiles? Sometimes the likelihood of them tying up neatly is pretty slim, so you may need to replace both which obviously adds to the cost.

Replacing cupboard doors is, in theory, pretty doable but can sometimes be a bigger hassle than it's worth due to quirky things such as odd sizes that mean you can't get doors to fit any more.

> Always check your ideas and products with your builder before ripping out

APPLIANCES – TO INTEGRATE OR NOT?

Integrated appliances are more expensive than free-standing ones, but if you are aiming for good quality and want to sell your property for a high price then integrated is the way to go.

- **Always put in an integrated oven and hob, as freestanding cookers look very old-fashioned**
- **For a first-time buyer you could just leave a space for a washing machine and fridge freezer, but integrate the cooker**
- **In a luxury apartment or house for downsizers, they'll expect a nice, swanky kitchen, so you have to go integrated - washing machine, dishwashers, and possibly even fridge-freezer as well. Although, if you are using an American style fridge-freezer this is more of a stand-alone piece of furniture anyway, so won't need to be integrated**

In a rental property you are better to have a free-standing appliance wherever possible, to keep maintenance costs down. If you need to replace a free standing one it can be exchanged within half an hour, whereas an integrated one can be more complex and sometimes involves more people (plumber and joiner).

BUDGET

A typical cost to replace a standard small family home:

Kitchen (carcasses, doors, worktops) £1,500

(if you join LNPG, the Landlords National Purchasing Group, then you can buy even cheaper – www.lnpg.co.uk)

Basic installation (excluding services, tiles) £1,500

(Excessive cutting, such as around columns, or irregular shapes, will incur extra costs)

FLOORING

The thing that damages kitchens more than anything is leaking water.

Laminate is not appropriate in a kitchen. It is a man-made material made of crushed, compressed timber, so if it gets wet in any way, it just falls to pieces.

> "Get a bargain for your small kitchen by asking your supplier for off-cuts or the end of the roll"

Solid wood can withstand water much better than laminate. Engineered wood has got varying amounts of quality wood in it. At the cheaper end the boards have got very little quality wood in, whereas at the top end they've got a good veneer and more quality wood in. The more you spend, the better the finish you'll get on the floor.

Ceramic tiles are now really fashionable, especially wood-look tiles. Of course, they're generally cold unless you want to put an underfloor heating system in.

Vinyl is a great option whether you're looking to sell or rent out. Forget the stigma from the 1980s, the quality of vinyl is much better now and comes in all sorts of finishes and designs. Some have cushioning which make it more comfortable under foot, or you can get luxury vinyl tiles that look like stone or wood. Some wood-look vinyls are really good. So if you want a good effect in your kitchen on a budget, vinyl is the way to go. It's also more durable to water damage.

Happy kitchen planning...

TOP TIPS

- **If selling always use soft-close doors because you can guarantee that prospective buyers will test them when they are looking round**
- **Chunky handles always feel like quality even though they don't cost any more**
- **Carousels and even something as simple as a cutlery tray in the one of the top drawers make a prospective purchaser feel they can literally just unpack the box, get it in the cupboard and they'll be cooking that night!**
- **Be careful when choosing taps. Some of the smarter taps available need higher-pressure water than normal taps, which can cause a problem for the plumber. Always check with your plumber before altering the taps and then double-check whether you can take higher-pressure taps**
- **Think carefully about how many power points you need. One for kettle, toaster, slow cooker etc. Think about where these items will go so you can plan the sockets. This is especially important in rentals to avoid tenants having extension leads running around the back of the cooker and things like that**

££££ Money Saving Tip

Very few people buy kitchens in December, so if you want a deal get into the merchants in December and they'll be falling over themselves to offer you deals to hit their sales targets for the month.

CONTACT DETAILS

Contact Martin with any questions you have regarding refurbishments.

martin@refurbishmentmasterclass.co.uk

www.refurbishmentmasterclass.co.uk for full details of our mentoring and training courses

Tel: **07934 271371**

GET IN TOUCH FOR:

- Training courses and mentoring for property investors managing their own refurbishments
- Project support for developers stepping up to larger projects
- Full project management

CLICK HERE TO LISTEN TO THE FULL ARTICLE

10 YEARS AFTER THE PROPERTY BUBBLE WENT POP…

POINTERS, ORIGINS AND PROTECTION

By Richard Brown aka THE PROPERTY VOICE

In September 2007, there was the first run on a British bank since 1866. Northern Rock, then the UK's fifth-largest mortgage lender first approached the Bank of England for an emergency liquidity loan facility. Later, the government stepped in as Northern Rock fell into state ownership in February 2008. This was during the peak and madness of the Global Financial Crisis (GFC) and coincided with the start of a steep decline in property prices.

That was ten years ago. It was a financial, property and stock market crisis of severe proportions. But, it was a 'Black Swan event' like we had never seen before and never will do again, right?

Wrong! It was predictable, preventable, and is most definitely repeatable. Maybe not with identical events but certainly with similar underpinning triggers and results. So, why raise this again now? Because if we can see it coming next time around, we can prepare ourselves much better than in the middle of a crisis. Let's run through this property bubble 'POP' mnemonic now then.

POINTERS

1. Runaway prices

According to the 55 years and counting Nationwide House Price Index, property prices have risen by 8.1% per year on average throughout this period of time. In many markets, we have what is known as reversion to the mean. Periods of above average growth will eventually correct to return to the mean (or average) and the same in the doldrum years, as eventually prices will pick up too. In the ten years leading up to the last property crash, average price growth was 12%, clearly well above the 8.1% mean. Some people think we might be in a bubble now, although average prices in the past ten years have risen by 2.1% on average, below the mean.

2. Easy credit

Excessive borrowing, based on relaxed underwriting criteria and 'financial innovation' results in debt being taken for granted and the price of debt being undervalued. Look out for an increase in higher loan-to-value (LTV) ratio loans appearing, relaxed regulation and underwriting criteria, such as self-certification mortgages and new accelerated financing techniques such as same-day remortgaging, along with a plethora of lenders offering rate and fee incentives. In isolation, some of these are not indicators of a property bubble, but in combination the red flags are there for all to see.

3. Less on fundamentals, more on sentiment

The key fundamentals of the property market are balanced supply and demand across the market, sensible levels of mortgage affordability and reasonable developer and investment returns.

Too many cranes combined with developer incentives and empty properties are signs of an imbalanced market. Mortgage and rent payments climbing above 35%-40% of take home pay is unsustainable. Flipping houses within months or even weeks at double-digit profit levels without so much as lifting a paintbrush is a sure sign that too much hot air is in the market.

Finally, when everyone is talking about making money in property, from the red top newspapers, your mates down the pub and even the cabbie taking you to the airport, there is no better signal that the bubble is about to go pop.

ORIGINS

There are two major originators of an asset bubble:

a) **An increased money supply pumped into assets**

b) **Excessive debt levels above income and consumer price inflation**

Over the last 30 years or so, we have seen the following average annual indicators:

Indicator Description	Growth Rate
Incomes: Average Earnings	4.1%
Consumer Price Inflation: CPI	2.6%
Asset Inflation: Land Registry House Prices	**6.7%**
Asset Inflation: UK All-Share Index	6.4%
UK Money Supply: M4	**7.6%**
Household Debt: Total Debt % of Household Income (total growth)	**100%**

What can we conclude from these data points? In my opinion, it is that asset prices, including property prices, have increased well beyond average incomes and consumer prices. The main stimuli are clear from the highlighted indicators above: a rapid increase in the money supply, and a dramatic rise of household debt in particular, has fuelled aggressive asset price growth, including property prices, beyond normal income affordability measures. That's a concern.

PROTECTION

So, what can we do to protect ourselves?

1. Monitor and review

Each month, I have a summary report produced for me that tracks some of the key indicators, such as those outlined in this article. I suggest you do the same. Track hard data points like those mentioned, but also softer, more anecdotal references and clues like the 'World's Tallest Building' record tumbling and dinner party or pub property chatter.

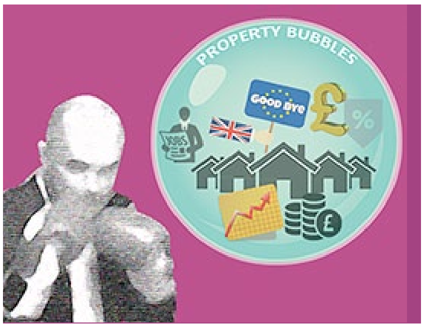
Besides price growth, if we look at key market fundamentals, such as mortgage affordability (payments as % of take home pay) and investment yield returns, we can see that the strain was there.

In addition, track your own portfolio performance each year. For example, how are rents, voids and maintenance standing up? By how much would interest rates have to rise before you are in negative cash flow? How is the return on investment compared to what you expected and what you could achieve elsewhere?

2. Have sufficient liquidity and equity

If you generate cash each month through your portfolio and have a contingency fund set aside sufficient to survive a sudden interest rate hike of 2% to 3%, along with sufficient equity to be able to remortgage (or avoid the lender calling in your loan) after a sudden 10% to 15% price fall, then you should be able to weather the storm.

There is a school of thought that suggests remortgaging every five years or so to pull out cash for 'lifestyle spending' is a good idea as it's 'free money'. If you do that you not only erode your equity position, but you might also find yourself a mortgage prisoner, unable to repay the mortgage and your taxes at the worst time possible. It's not free at all.



3. Invest based on the fundamentals

Strong demand in high population, economically-strong locations, with positive, income-generating investments and using value-adding strategies all help to underpin our portfolio with solid foundations.

4. Protect the downside

Stress test your portfolio for interest rate rises and recession, 'go long' by investing for the long-term, pound-cost averaging, and resist the 'go big or go home' opportunity that might present itself. Diversify your portfolio as it grows by location, property type, tenant profile, investment strategy and by asset classes beyond property. Ideally have several exit options and contingency plans for your investment, such as converting into a different type of rental, selling on or fixing mortgages for the long-term. Above all, keep your nerve and don't panic. Try to maintain an equilibrium of not getting too hyped-up or too downcast as the media and other people run like lemmings off the cliff … you are a professional investor now!

CALL TO ACTION

So, after that rather gloomy reminder of what happened a decade ago – and around every 15-20 years in a big way in the property market in fact – we have a distinct advantage now. We can observe the **pointers** from the past, track the **origins** of an asset bubble and then **protect** ourselves from the effects of that bubble going **POP!**

I suggest that you put your four-step protection measures in place sooner rather than later, whilst things are still calm. Some people have suggested that we are clearly in a bubble right now. However, based on the evidence, I would disagree with that assertion. We may be heading for something of a blip or mid-cycle slow-down, but I don't see us in bubble territory just yet. Ask me again the mid-2020s and I might have a different response!

The Property Voice Listens

Reader Questions

"What do I need to consider when investing my cash in a property joint venture?"

There are six main aspects to consider when it comes to joint ventures:

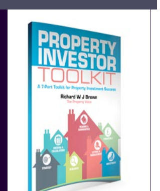
1. **The JV partner (who they are, their reputation, track record, experience, standing, etc)**
2. **The project (its viability, comparable and underlining evidence, the business plan, different exits, contingencies, etc)**
3. **The commercial arrangements (the timings, numbers, risks, profit shares / returns, etc)**
4. **The legal and other written basis of the agreement (loan agreement, JV agreement, declaration of trust, buyout, deadlock, etc)**
5. **Your security and protection (legal charge, guarantees, LTV, etc)**
6. **Your advisers (solicitors, accountants, other experienced consultant advisors in such matters, etc)**

If you work through these six different steps in a diligent and methodical manner, you should be OK. For more info on the joint ventures that I operate, or to discuss your own potential JV opportunities and suitable protection, just drop me a line.

If you found this feature interesting, it is based around a few of recent podcast episodes on Property Bubbles and Inflation. Just pop over to **www.thepropertyvoice.net/podcast** and you will find them in there, along with over 100 more educational episodes in our back-catalogue. If you want some pointers on how you can stress test your portfolio or the other suggestions made here, just drop me a line **admin@thepropertyvoice.net** quoting **'Property Bubble Stress Test'** and I will point you in the right direction.

Until next time from The Property Voice, it's ciao ciao.

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



I'M A PROPERTY DEVELOPER:

CAN I CLAIM ENTREPRENEURS RELIEF? … AND IS IT WORTH CLAIMING?

By specialist property accountant Stephen Fay FCA

Many property investors – whether landlords or developers – have heard of 'Entrepreneurs Relief' (ER), but aren't clear about what it is, and whether they could benefit from this tax relief. This article explains what ER is, when it can be claimed, and when it may not be beneficial to claim ER.

What is Entrepreneurs Relief exactly, and can I claim it?

ER is a tax relief available to property development and trading companies, enabling the company to be closed and a reduced rate of CGT (10%) paid on the total value of the company. This can be valuable compared with the alternative of paying 32.5% dividend tax to take out funds from the company for Higher Rate company owners, or the 20% CGT rate payable on the disposal of other capital assets (28% for residential property). There is a lifetime limit on ER claims of £10m/person (which of course is plenty for most smaller property developers).

ER is specifically not available to owners of property investment companies – therefore it is crucial to understand the difference between a property **investment** vs **trading** company.

A property investment company generally holds property for long-term investment, and generates a return via rental income. Property may be sold occasionally, but the intention at the outset for each purchase would be to rent, rather than flip, the property.

A property development / trading company generally buys land and property to develop / renovate and sell for a short term profit. Property would normally be financed using non-permanent finance (cash / bridge, etc) and sold when developed, realising a trading profit.

Does my company qualify for ER?

The following are the key criteria to assess whether ER is available:

1. **The company is a trading company (ie, not an investment company or a property company with more than 20% investment activity)**
2. **The individual owns 5% or more of the ordinary shares of the company**
3. **The individual is an 'office holder' of the company, ie, a director or employee**
4. **The shares have been owned for one year or more before sale**

The above criteria apply whether the company is sold or closed down ("liquidated").

> "ER is specifically not available to owners of property investment companies – therefore it is crucial to understand the difference between a property investment vs trading company"

OK, that's fine, except that my company buys property that might EITHER be rented or sold depending on market conditions at re-sale time – how does that work?

In most cases, a company's owner knows whether a property is earmarked for a quick sale (with or without development), or for rental – and usually the circumstances of the purchase give away the company's intention!

However, in the real world, property developers do sometimes need to rent a property (eg, in a Brexit-inspired mini property crisis), and so the following criteria provide a way to objectively assess the tax status of a property development company, where there is a mix of development and rental:

1. **Intention when buying the property**
2. **Was substantial renovation work done to the property?**
3. **How often are properties that the company buys rented vs sold for a profit in a short timescale?**
4. **For properties that are rented, how long are they rented before sale?**
5. **Are those rented properties simultaneously marketed for sale?**
6. **How are the properties financed (short vs long term finance)?**

For the tax nerds, the above points are set out in law in Part 8ZB Corporation Tax Act 2010.

COMPANIES WITH MIXED PROPERTY DEVELOPMENT AND INVESTMENT ACTIVITY

The trading status of a company can be valuable, and so where there is a mix of trading and investment activity (broadly, development vs rental, respectively), it is important to know whether or not the company's shareholders still qualify for ER tax relief on the sale or closure of the company.

Fortunately, a property trading company is allowed to have investment activities, and still retain its trading tax status, if the investment activity represents 20% or less of the company's activity. Where it is not obvious whether this threshold has been reached, the specific criteria to be assessed in this regard are income, pre-tax profits, capital employed, management time, etc.

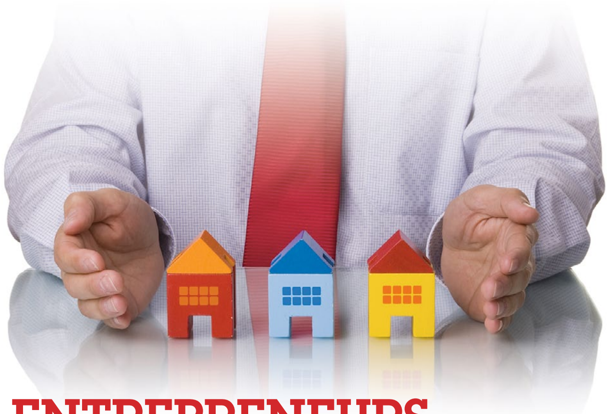
In reality, many small property companies never have an issue regarding their tax status; ie, it is obvious whether or not the company qualifies for ER. In fact, it can often be beneficial to have a single company to have both property development and investment activity if the accumulating balance sheet never reaches a significant value (since the owners can extract much of the company's profits as Basic Rate taxpayers and just pay 7.5% dividend tax, even after tax-free salaries and repayment of directors loans).

In marginal cases, it may well be prudent to form a second company for development vs investment activity, however this would normally become obvious as the company's activities and profits unfold over a period of time; ie, it often isn't necessary to start with two separate companies from the outset (which would incur two sets of accountancy fees) – though your accountant may be happy to collect two sets of fees!

What if I want to close down my company rather than sell it?

ER tax relief is available for companies meeting the qualifying tests, where the owners want to close down the company, rather than sell the shares to a buyer. This can be tax-efficient if paying a flat-rate 10% tax rate is preferable (in order to extract the company's profits immediately in one lump), rather than dribbling the profits out over several years via the traditional small salary (around £11k-£12k/year) and a Basic Rate dividend (around £33k/year), at which only 7.5% dividend tax is payable.

In other words, in many cases it is actually LESS tax-efficient to claim ER at 10%, rather than take a tax-free small 'Personal Allowance' salary, and a Basic Rate dividend taxed at just 7.5%. A good tax accountant will be able to crunch the numbers to work out which option makes most tax sense …



ENTREPRENEURS RELIEF – STING IN THE TAIL FOR 'REPEAT DEVELOPERS' …

In many cases, claiming ER on the sale or closure of a development company makes a lot of tax sense – however, the government / HMRC are aware of that, and so there are restrictions to prevent the repeated use of ER in what the government / HMRC consider to be an abuse of ER tax relief.

Since April 2016, there has been a restriction in place to stop shareholders in any trading company from liquidating a company and then setting up a new company with the same trade within two years of the liquidation. This applies to 'close' companies (five or fewer shareholders, broadly), unless there are valid commercial reasons for closing the company (eg, taking up a permanent PAYE job, permanent retirement from the trade, etc).

Closing down a company, taking the proceeds as a capital distribution (taxed @ 10% with ER), and then re-starting a new company immediately in the same trade (sometimes known as "phoenixing" companies) is deemed by HMRC to be abusing ER – if such a move were made by a shareholder, subsequent to an ER claim, the ER on the original capital gain would be re-calculated without ER being claimable – which could potentially increase the tax rate on that distribution from 10% to 28%.

It therefore makes tax sense to only claim ER where: **(1)** it is a better option than taking dividends and salaries, and **(2)** the shareholder(s) have no plans to do any further trading activity within a company in the following two years after a company closure.

SELLING VS CLOSING A DEVELOPMENT COMPANY PRACTICALITIES

Obviously, selling a company is straightforward in terms of the practicalities, ie, once a price for the shares is agreed, the funds change hands, and the share certificate(s) pass from the current to the new shareholder. Usually there would be a contract in place to mitigate any ongoing risk for the outgoing shareholder.

However, when a company is closed, where the company value is >£25k (which applies in the vast majority of ER claims), a formal liquidation is required. This means a liquidator must be appointed, and a formal legal process must be followed, in order to validly deal with the liquidation, plus there is a cost to this (typically £1.5k-£3k, depending on circumstances). This then enables a company to be properly closed down, creditors paid, and ER tax relief claimed on the final funds paid to the shareholders.

*But when might claiming ER **NOT** be the right move for me?*

A 10% tax rate to extract all of the funds in a trading company in one transaction is clearly beneficial as an option – however, it's not **ALWAYS** the best option, for example:

1. **Where the shareholder could instead take a traditional combination of small (say, £11k) salary and top-up (say, £34k) dividend, and so stay under the 2018 tax year Higher Rate income tax threshold of £45k, and so paying 0% tax on the salary (which is also tax-deductible for the company), and 7.5% on the dividend – this is suitable for shareholders who (1) don't have another income source, and (2) are happy to dribble out the income over several tax years.**
2. **Where the shareholder DOES have income from another source, and DOES plan to operate a development company on an ongoing basis – in which case it may be better for that shareholder to have an investment company own the shares in the development company, as an ER claim isn't going to be beneficial. This would mean that the development company would simply pay out its dividend to its owner investment company, as a non-taxable dividend (as UK companies don't pay tax on dividends received from UK companies) – this is suitable for investors who plan to use development company profits to accumulate value within their own investment company, for long-term investment rather than short-term extraction and spending.**

A FINAL POINT

TRADING COMPANIES IN GENERAL – INHERITANCE TAX BENEFITS

Another benefit of having a trading company is the option to claim 'Business Property Relief' (BPR) on the value of the company's shares when considering estate planning. BPR enables 100% tax relief against Inheritance Tax (IHT) arising on the value of unquoted shares in a company, which also includes lifetime gifts of such shares.

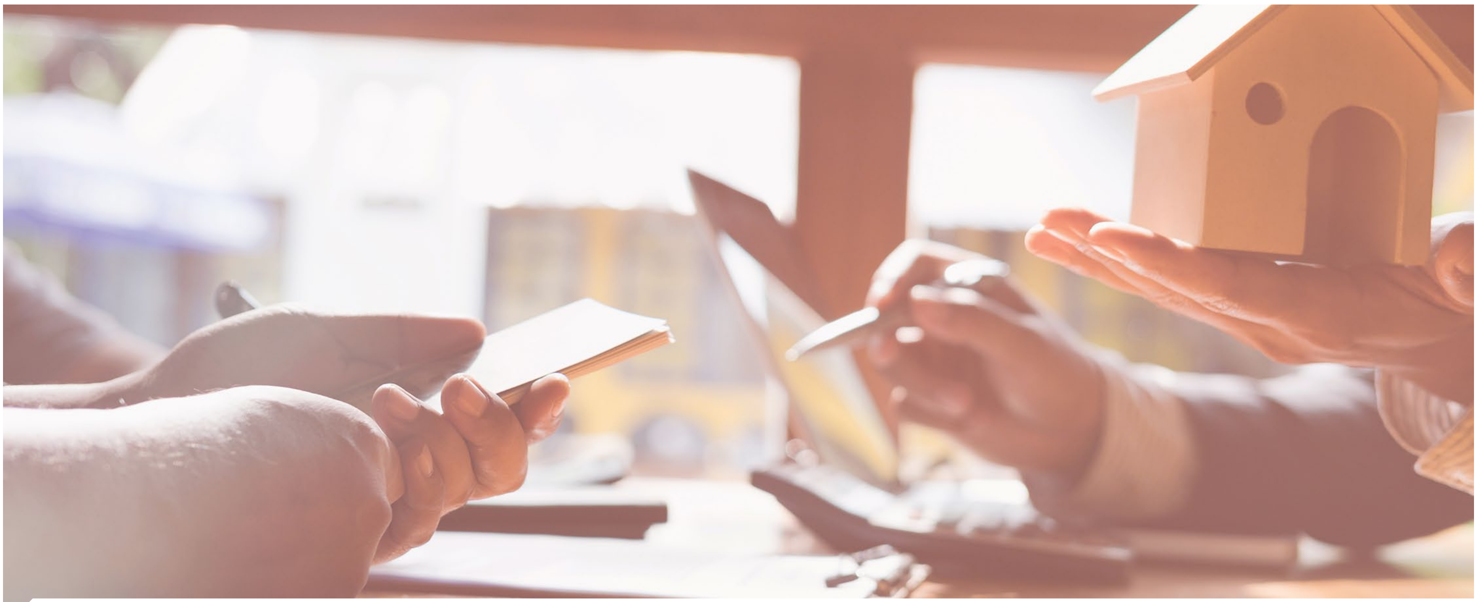
For mixed companies (ie, companies with both property trading and rental activity), the tax status 'test' is less stringent than for CGT ER – only 51% of the company's activity needs to be of a trading nature.

Obviously, the above IHT benefit wouldn't apply to a company that is liquidated … as the owner has sold the company prior to death.

IN SUMMARY …

Using a company makes tax sense for many property investors, whether for development of investment. Entrepreneurs Relief is a tax relief that can prove useful for investors with a very large development profit, which they want to extract immediately from the company, or where the property development trade activity is not likely to be repeated within a two-year period.

However, claiming ER has to be **cost-effective** (as there are costs payable to liquidate a company), and **beneficial** (as there may be better tax-planning options than ER). Although a nice 'soundbite' conclusion would be ideal, ultimately the final conclusion is dependent on the particular circumstances of the case …



ALL YOU NEED TO KNOW ABOUT A PROPERTY PENSION (SSAS)

Interview: Jayne Owen & Angharad Owen Written by: Angharad Owen

As part of this extended feature on planning your finances for 2018 and beyond, we thought it might be useful to talk about pensions. In particular, as it is going to be relevant for a lot of readers, we wanted to look at how you can make the most of pension monies for property investment when you have a limited company. In this article, Gareth Bertram of The Landlord's Pension will be talking about the SSAS structure – what it is, how it works, the benefits for you (and potentially your investors or JV partners), the barriers to entry, and also why it's an essential tool for YOUR business.

WHAT IS A SSAS?

SSAS stands for Small Self-Administered Scheme, and it gives you complete control over your pension funds. It's available to anyone who is a director of a company. The size of the company or whether it is trading or not is not an issue. You just need to be a director, as that gives you the legislative right to establish a SSAS pension. It can be set up regardless of whether you are a sole director or if there is more than one director.

A board of directors can establish a scheme of up to 12 people. However, pooling your money in this way doesn't automatically confer rights to your funds to any other person. You each retain separate benefits in proportion to the amount you put in. But what it does do, is enable you to access a larger pool of resources to use within the business. Alternatively, each board member can have their own individual SSAS, if the other directors agree.

In many pension schemes, the funds are often invested into stocks and shares. The future is very unpredictable, so everyone is given the disclaimer: ***past performance is not a guide to future performance, so you may get back less than you initially invested.*** Working with a SSAS gives you control over any investment decisions, thus giving you the responsibility of growing your pension. Also, many of the traditional schemes are run on the basis of investing money and then charging the owner a fee. Most people don't know where that money is going or how much they are being charged. A SSAS takes away the mystery and it can cost as little as £500 a year for the management, so it's a low-cost scheme.

A SSAS can cost as little as £500 a year for the management, so it's a low-cost scheme

IS IT HARD TO SET UP?

It's very straightforward to set up a SSAS. You must ensure that you establish your scheme with a corporate trustee that you're confident will work with you in terms of the investments you're looking to make. Trustees restrict what you can and can't do with your funds, so it's important that if you have a specific plan for your money, you're certain that your trustee will be able to work with you on it. If you start working with the wrong trustees, those who are not in the property sector, for example, then it makes everything very difficult for everyone involved.

Setting up a SSAS is not complicated. There appears to be a myth that it's a difficult and costly process, which isn't true in the slightest. The process is that the pension scheme needs to be registered with HMRC, which we do on behalf of the clients we work with.

Once that's done, you set up a bank account and transfer the funds into it. You're now ready to start using the money for your investments! Simple!

WHAT CAN YOU DO WITH IT?

As mentioned above, a SSAS gives you control over your pension funds. It can include new contributions and/or you can transfer any former pension schemes from previous employment. There are some restrictions over what you can and can't do with the money for it to continue to benefit from tax-free status.

A SSAS really comes into its own when you consider the options of what you can invest into, as it offers more benefits and options than any other pension scheme.

From a property investment perspective, you can invest into plots of land with the aim to develop. There is no restriction over developing residential property, owning the land and building it from the ground up. But the development needs to be sold out of the scheme before it's deemed substantially complete, as you cannot own residential property in a pension scheme.

Investing into commercial property is also possible. We have had clients who have bought factories or high street offices as premises for their business. And we've had some stranger ones too, like people who own orchards! Properties such as blocks of flats and HMOs are not considered as commercial property as far as HMRC and legislation is concerned, so you may not hold these in your pension. If you are found to have a residential property in your pension, you will suffer a substantial tax charge.

From a business perspective, one of the great benefits of a SSAS pension is that it's possible to utilise 50% of the value within your business. For example, let's say someone had worked for a corporate company for 20 years and had built up £100,000 in their pension scheme, then decided to set up their own business within a limited company structure. If they were to establish a SSAS in conjunction with that limited company and transfer those funds into it, they could use up to £50,000 (ie, 50% of the value of the fund) as an investment for their business.

When doing this, the money is treated as a loan from the SSAS into the company. Naturally, the money needs to be protected from being spent frivolously to ensure that it can indeed be repaid. In reality, what is happening here is you're having your cake and eating it! By borrowing from your pension, you're building and growing your business. But in the background, you're also increasing the value of your pension through interest on the loan. This helps the tax liability for the company because the interest payments are tax deductible.

> **A SSAS really comes into its own when you consider the options of what you can invest into**

A SASS can be used in a joint purchase. There is nothing to stop a pension and a limited company purchasing land jointly together (not unlike a husband and wife buying property together). As always, it's down to working with people who know what they're doing, including your business partner and solicitor. If doing a joint purchase, it's worth knowing that a SSAS can borrow up to 50% of its value. That doesn't necessarily have to be in the form of a high street mortgage, it can borrow from an angel investor, for example.

OVER-55s

Directors of a company who are over the age of 55 can access 75% of the money for use within their company. This is achieved by borrowing 50% as a loan and additionally taking the remaining 25% tax free. The amount borrowed must be repaid over five years; however, legislation allows you to roll the term over for a further five years, giving you ten years to repay. As previously mentioned, you're also paying interest on the loan and growing the value of the fund.

What I always say to company directors is that there is absolutely no reason to have any other type of pension. A SSAS does everything that any other pension does; it has the same benefits, tax relief, contributions, etc, and more.

WHY ISN'T IT MORE COMMON?

I am constantly astounded by the number of accountants who have little knowledge of a SSAS pension. How can people offer advice to their clients and not consider a SSAS? It is a vehicle not just to support business, but is also an option where cash can be paid from the company to reduce corporate tax liability. I believe that there is a lack of understanding about this scheme and what it can do out there.

Many clients who show interest in a SSAS have referred first to a trusty financial advisor that they've worked with for the last 20 years – and often that advisor does not know enough about it. Another thing to keep in mind is that financial advisors are highly regulated nowadays and have to protect their professional indemnity. They're putting themselves at risk by stepping out of the normal remit of their work.

We attend every property and business event we can to try and educate both investors and advisors and make them aware of the real benefits that a SSAS offers to a business and director(s). Our mission is to help people understand and therefore enable them to make their own decisions about what is right for them.

FIND OUT MORE …

The Landlord's Pension is a SSAS broker. We have a great team in place who can help you with the forms to make sure that you get everything right first time.

You'll find videos offering a brief introduction to the SSAS on our website. (I apologise for looking so serious in the videos – I'm always being told to smile more!) Our team are all former business and financial advisors, so will know everything you need to know inside out and back to front. Contact us for a free consultation to see if we can help you.

THE LANDLORD'S PENSION

CONTACT DETAILS

Website www.thelandlordspension.co.uk
Phone 0203 9078400
Email enquiries@thelandlordspension.co.uk

CLICK HERE TO LISTEN TO THE EXTENDED ARTICLE

SECURING THE FUTURE

ESTATE AND SUCCESSION PLANNING FOR PROPERTY INVESTORS

By **Russ Arrowsmith**

For almost all of us, planning is very much part of our everyday lives. We plan our work schedules, business meetings, holidays, travel arrangements, social events, weddings and our retirement, the list goes on. However, 'estate and succession planning' is something most of us know nothing – or very little – about; hence it is either completely overlooked or deferred until our later years.

It's also something that is most associated with just legacies and inheritance upon death ... but less often considered as essential protection of assets that could be at risk during one's lifetime.

WILLS

With regards to legacies and inheritance, wills ensure the assets of an estate will be devolved in accordance with your last wishes upon death. With no will in place though, you are deemed by the state to have died 'intestate', meaning that your estate assets will be devolved by a Court of Law in accordance with the 'Rules of Intestacy'. These rules are loosely based on 'next of kin', do not recognise unmarried 'common law' partners and do not ensure that your last wishes are carried out the way you had wished. There is however, another equally important reason to make a will – and that is to nominate therein two or more close family members, friends or trusted individuals, called 'executors', to tie up or settle your financial affairs and ensure your estate assets are devolved in accordance with your last wishes.

Of course, wills only come into play upon death. However, during your lifetime, assets such as your residential home, high-value collections, an investment portfolio or your business could be at risk from bankruptcy or being seized to pay creditors, local authorities and HMRC. While most of us have insurance policies, it's worth noting that insurance only offers financial compensation for the actual damage or loss of assets, not their protection from any of the above. This is where lifetime or 'inter vivos' trusts are useful to protect your estate and its assets from being lost during your lifetime **AND** beyond.

DIFFERENT TYPES OF TRUST

Simply put, a trust is a legally binding contract between two or more parties and used to guarantee the rules set by the settlor(s) therein are applied. Trusts themselves are not new as their history can be charted back to the 13th century when warriors left their estates and land on trust to someone before going into battle. Nowadays though, different trust types are used for a variety of purposes such as to consolidate business partnerships, 'ring fence' valuable or prized assets, control inheritance, mitigate inheritance tax and even to reduce the cost of probate usually based on an estate value at the time of death. In some circumstances where the value of your asset(s) being gifted into trust exceeds your nil-rate band allowance, an advance inheritance tax of 20% of the asset value is due immediately and the trust will incur 10-year anniversary charges of 6%. This however is not recommended and can be avoided if initially you use up your nil-rate band allowance only, then gift the excess into trust every seven years thereafter.

Of the many types of trusts that exist today, a Deed or Declaration of Trust (DoT) is one such that is drawn up between two or more JV business partners to bind an agreed equity split in a property or property portfolio, the respective shareholding in a company, revenue split, exit terms and perhaps security measures for all parties concerned. Other trust types include Bare trusts, Interest in Possession trusts, Discretionary trusts, Bereaved Minor trusts, Disability trusts and Will trusts, the latter of which only come into effect when you die.

IHT AND SUCCESSION PLANNING

Inheritance Tax (IHT) is also very much part of estate and succession planning as more and more estates become liable due to property values outpacing the government's nil-rate band allowances. This tax is only due upon death (or on the second death, if married) when your estate value exceeds the government's nil-rate band allowances, in which case your estate will have an IHT liability of 40% of the excess amount.

For example, if you're married and your total estate value including your residential home is £850,000 or less, your beneficiaries will have no IHT to pay on the second death. If your total estate value exceeds this by say £150,000, you will leave an IHT bill of £60,000 (40% of £150,000) to be paid. However, with careful estate and succession planning, there are various HMRC-recognised ways to mitigate IHT. One option is to 'gift' (observing HMRC's seven-year rule) some or your entire estate to family members such as your children or better still, your grandchildren. Alternatively, your estate assets can be gifted to a discretionary trust, but again observing HMRC's seven-year rule. Another option can be to take out a life insurance policy 'written into trust' or invest in an AIM-listed company within an ISA wrapper. Yet another option includes investing in a Business Relief-qualifying company, and so the options continue.

POWERS OF ATTORNEY

Other essential legal documents used in estate planning are Lasting and/or Business Powers of Attorney. It's an incredible statistic that over 90% of the UK adult population has no knowledge or understanding of the value these documents have during one's lifetime. Without either one or both documents, no-one has the legal authority to act on your behalf in the event you lose your physical ability through hospitalisation or paralysis, and/or your mental capacity to conduct your everyday home or business affairs and wellbeing. For company owners, it means that a business could be at risk as business contracts can stall and clients lost while alternative arrangements are put in place to obtain a Deputyship Order from the Court of Protection. This can take anything up to a year to obtain and costs around £2,750 or more, so it's prudent to set up these 'powers' in advance as a precautionary measure.

The key to efficient estate and succession planning is to transfer or remove as many assets as is possible from your estate so that upon death, the total value of your estate falls within the HMRC's nil-rate band allowance that applies to you as a single unmarried person or as one half of a married couple.

LANDLORDS AND PROPERTY PORTFOLIOS

If you're a freeholder landlord and personally own a BTL property portfolio, IHT will almost certainly be an issue for you. In this instance, gifting one or more of your properties into a trust while retaining the rental income from them is not an option to reduce IHT when you die because it will be deemed a 'Gift with Reservation of Benefit' by HMRC. For an asset or assets to qualify as a gift, all your interest in it, such as receiving an income from it, must be relinquished.

However, if retaining the rental income is important to you, the use of a deferred lease scheme is one possible solution. This involves the setting up of a long-term lease with a future commencing date (up to 21 years ahead) which can be passed on directly to your beneficiaries or left on trust for them, so that the value of the gift will not be realised until the lease begins. This also means that the current value of the lease (gift) can be significantly discounted, by as much as 75%, thereby reducing your inheritance tax liability on death. This then enables you to enjoy the rental income from your freehold properties until the lease begins, so is not a recommended solution if you need or intend to receive the rental income for more than 21 years.

This strategy, though effective, is only suitable for a personally-owned freehold property portfolio that is mortgage-free and that you've owned for seven years. However, if your property portfolio is incorporated into a company that qualifies for Business Relief, the company and its assets can be passed down after death, free of inheritance tax.

CONTACT DETAILS Author: **Russ Arrowsmith** Contact: **russ@eurowills.org**

MORTGAGE UPDATE

By Stuart Yardley

Trafalgar Square Financial Planning Consultants

Happy New Year and all the best for a prosperous 2018!

Over the last few months, I have been looking at the impact of the new portfolio landlord regulation on high street BTL lenders, but I thought this month I would show you how some of the specialist BTL lenders are approaching these regulation changes, and share their key requirements.

KentReliance

Stress test:

125% @ 5.5% for the whole property portfolio.

Requirements:

- Business plan
- Asset and liability statement
- Cash flow statement
- Portfolio stress tested on a standalone system

Information on lender:

- Business plans, assets, liabilities and cash flow statements are required in support of any mortgage applications
- Under the new criteria, you will also need to provide details of your wider BTL portfolio for assessment as part of the underwriting process
- There is no maximum number of properties in the background and no restrictions on the number of properties purchased in the last year
- Kent Reliance don't have a maximum loan to value across the whole portfolio, and will just assess this individually
- Products available up to 85% loan to value/ purchase price
- £100,000 minimum purchase price up to 75%; over 75% minimum loan is £100,000

Kent Reliance remain a good option for all specialist lending options as they offer mortgages for HMOs, limited companies and expat mortgages.

Precise Mortgages

Stress test:

ICR based on individual circumstances.

Requirements:

- Business plan
- Personal assets and liabilities statement
- Residential property portfolio form (to include unencumbered properties)
- Three months' worth of bank statements showing portfolio cash flow (ie, rental receipts and mortgage payment debits)

Information on lender:

- Precise also have a background portfolio coverage calculator starting at 125%
- The portfolio assessment is valid for six months to make future applications easier (where information is still up-to-date)
- BTL criteria remains unchanged
- No maximum number of properties in the background
- Products available up to 80% loan to value/purchase price
- £50,000 minimum purchase price/ valuation for limited company purchase
- £50,000 minimum loan amount for personal borrowing
- Minimum purchase price/valuation £100,000 for HMOs

Precise have a range of products for personal borrowing, limited companies, and HMOs, and will consider previous credit issues.

Foundation Home Loans

Stress test:

125% @ 5.5% across the whole portfolio.

Requirements:

- Foundation Home Loans require the portfolio to stress test at a minimum of 125% at a rate of 5.5%, and no properties can be below a 100% coverage
- Portfolio spreadsheet

Information on lender:

- 75% maximum LTV applies for the maximum aggregate portfolio
- Foundation do not require assets and liability statements or a business plan
- Minimum purchase price/valuation £75,000
- No minimum term of employment/ self-employment or minimum income

Foundation are a good option for the specialist BTL market as they have a range of BTL mortgages for personal borrower or limited companies looking at standard BTLs, multi-lets or HMOs.

As you can see, there is a wide range of calculations and background criteria so preparation is key to being in a position to obtain finance as a portfolio landlord.

The portfolio schedule is still affording both investors and ourselves with some challenges, as the lenders are verifying the information you provide. It's very important that the figures are up-to-date and accurate; this will include the current valuations and the mortgage balances. Lenders are carrying out desktop assessments of the values and also matching the mortgage balances with your credit reports, so it's worth reviewing these regularly and keeping them up-to-date to save yourself any delays and queries when applying for finance.

As a reminder, I offer telephone consultation appointments where we can discuss your individual circumstances and, with the help of my administrator, go through a set of the documents with you and get them completed over the phone. The aim will be that you have at least one set of documents completed that you can then use as a template for other lenders and moving forward. This will also identify any areas you need to address before applying for mortgages.

On the call, we will cover the following:

- **Portfolio template**
- **Business plan**
- **Assets and liabilities statements**
- **Income/expenditure statements**

If you would like to take advantage of this, please contact me and we can book a time in for you.

REMORTGAGES AND LONG TERM FIXED RATES

As we have now seen the first of the interest rate rises, there has been an increase in the enquiries for longer term fixed rates for investors.

Here is an overview of some of the long term fixed rates available. As always let me know if you would like to discuss your own personal situation.

Personal borrowing

LENDER	LOAN-TO-VALUE	PRODUCT	FEES
Virgin Money	60%	2.19% 5 year fixed	£1,995 arrangement fee; £500 cash back
Coventry/ Godiva	65%	2.49% 5 year fixed	£1,995 arrangement fee, free valuation and free legal remortgage service
The Mortgage Works	75%	2.84% 5 year fixed	£995 arrangement fee
Coventry/ Godiva	75%	2.69% 5 year fixed	£1,995 arrangement fee, free valuation and free legal remortgage service
Virgin Money	75%	2.90% 5 year fixed	£995 arrangement fee; £500 cash back

This is just a taster of some of the rates that are available; individual criteria will dictate what options are available for you personally.

Limited company overview

For investors looking at limited company mortgages, here is an overview of the current position within the market, and some potential lender options.

LENDER	LOAN-TO-VALUE	PRODUCT	FEES
Kent Reliance	80%	3.49% 2 year discounted variable rate	1.5% arrangement fee
Precise Mortgages	75%	3.19% 2 year fixed	1.5% arrangement fee
Precise Mortgages	75%	3.49% 5 year fixed	2% arrangement fee
Kent Reliance	75%	3.19% 2 year discounted variable rate	1.5% arrangement fee
Precise Mortgages	80%	3.84% 5 year fixed	2% arrangement fee

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

BUY-TO-LET PRODUCT HIGHLIGHTS

(PERSONAL BORROWING)

BIRMINGHAM MIDSHIRES

75% loan to value/purchase price

- **2.19%** 2 year fixed – £995 arrangement fee
- **2.59%** 2 year fixed – No arrangement fee
- **2.93%** 5 year fixed – £1,995 arrangement fee

Key Criteria

- £40,000 minimum purchase price/valuation
- Must be a homeowner
- Rental coverage individually assessed based on personal income rate

THE MORTGAGE WORKS

75% loan to value/purchase price

- **2.14%** 2 year fixed– 2% fee
- **2.49%** 2 year fixed – £995 fee
- **1.99%** 2 year tracker – 2% fee
- **2.89%** 2 year fixed – no fee

Key Criteria

- No minimum income for experienced landlords and owner-occupiers
- £50,000 minimum valuation
- Must be homeowner
- Rental coverage individually assessed based on personal income rate

MORTGAGE TRUST

75% loan to value/purchase price

- **2.05%** 2 year fixed – £995 arrangement fee, £150 booking fee, free valuation

80% loan to value/purchase price

- **2.99%** 2 year fixed – 1% arrangement fee, £150 booking fee, free valuation

Key Criteria

- £25,000 minimum income
- £75,000 minimum valuation/ purchase price
- Must be a homeowner
- Rental income to cover 140% at 5.5%

VIRGIN MONEY

75% loan to value/purchase price

- **2.24%** 2 year tracker – £995 arrangement fee, £500 cashback
- **2.04%** 2 year fixed – £995 arrangement fee, £500 cashback
- **1.84%** 2 year fixed – £1,995 fee, £500 cash back

Key Criteria

- £50,000 minimum purchase price
- One applicant must be an owner-occupier
- £25,000 minimum income
- Rental income to cover 145% at 5.5%

KENT RELIANCE

HMO Properties

85% loan to value/purchase price

- **4.64%** 2 year discounted rate – 2.5% arrangement fee
- **4.59%** 2 year fixed – 2.5% arrangement fee

80% loan to value/purchase price

- **3.69%** 2 year fixed – 1.5% arrangement fee
- **3.74%** 2 year discounted– 1.5% arrangement fee

75% loan to value

- **3.44%** 2 year discounted– 1.5% arrangement fee
- **3.39%** 2 year fixed– 1.5% arrangement fee

Key Criteria

- Must be a property owner
- New rental requirements
- £75,000 minimum loan
- No minimum income

COVENTRY

75% loan to value/purchase price

- **2.65%** 2 year fixed, £999 arrangement fee – free valuation
- **3.09%** 5 year fixed, £999 arrangement fee – free valuation
- **3.20%** lifetime flex variable rate - £995 arrangement fee – free valuation

Key Criteria

- Must be BTL or residential homeowner
- No minimum income
- £75,000 minimum valuation
- Free legal service on remortgages
- Rental coverage individually assessed based on personal income rate

T: 0208 870 8787
M: 07973 172 444
W: www.trafalgarsq.co.uk
E: stuart@trafalgarsq.co.uk

Funding Solutions...

bridging finance solutions

PRINCIPAL LENDER OF SHORT TERM PROPERTY FINANCE

Property Refurbishments, Developments and Conversions

Auction Property Purchases

Fast Purchase of Repossessions / Distressed Sales

Undervalue & Unmortgageable Property Purchases

Cash Flow for Short Term Needs
whilst property sells or re-financed

Professional Funding
Tax, probate, divorce

Chain Breaking
whilst another property sells

Cash Buyer Status
Negotiate discounts for fast property purchases

Property Acquisition
whilst pending changes allow for long term finance solution

Property Developers & Investors

Private Individuals

Financial Intermediaries & Professional Advisors

Call us today on 0151 639 7554 for **fast access to finance**

info@bridgingfinance-solutions.co.uk / www.bridgingfinance-solutions.co.uk

MANDATORY CERTIFICATES

By **Andy Graham** and **Nick Morris**

Happy New Year! Hopefully your hangover has worn off, your new year's resolutions are in place and your 2018 property investment plan is underway.

2017 was a testing year for private landlords, not least those either in or looking to get into the HMO market. It left many investors questioning whether property as an asset class in general was still the safe and sensible place to store cash that it once was. Before we get into the detail (and I haven't glossed over the implications for the 2017 landlord), I will say that I am confident that property, and in particular HMOs, is still an exceptional and unrivalled place to invest for long term wealth.

SMART PROPERTY
INVESTMENT AND MANAGEMENT

I've been personally buying and investing in HMOs for almost a decade. I'm also a co-founder of Smart Property Investment and Management, who amongst other related services, invest on a much larger scale with private investors, predominantly in the HMO sector. In this brand new series, I'm going to take investors through everything they need to know about investing in HMOs, from certificates and licensing to interior design and more. Before I get started, here's a recap on 2017 and planning ahead for 2018 as a HMO investor.

"For some investors, the rapid changes 2017 has brought about will be a step too far"

What does 2018 hold for the HMO investment model?

The loss of the 10% wear and tear allowance, followed by an additional levy on stamp duty, the S24 tax relief change and further restrictions imposed on lending, came as heavy blows to investors through 2017. I'm confident landlords up and down the country who are preparing their self-assessments this month are in for a big surprise. Furthermore, November marked the ominous rise in base rate to 0.5% which, let's be honest, we've all been waiting for, and the budget included another somewhat stealth jab at landlords through the suggestion that council tax will be levied by a 100% premium on 'empty homes' (whether this is from day one, we'll wait and see).

For some investors, the rapid changes 2017 has brought about will be a step too far, and I'm betting that once tax returns are completed at the end of this month, some portfolio landlords will begin their plans to consolidate. However, I don't think any of this will be enough to cause a significant shift in the property market, and for some investors like myself, I think this could be a golden age of portfolio-building opportunities. You'll have to be pro-active in your approach to tax though. More about that later.

What certificates does a HMO require in 2018?

There are a number of legal obligations to fulfil if you own and let an HMO. Depending on the type of property or exactly where it is, there may be some additional considerations to take into account, so this list isn't exhaustive. You should always check with your local council because there are regional variations and additional requirements, and if you get it wrong, you will be liable, and some councils impose hefty fines that can be backdated.

Planning Permission and Article 4 Direction

In 2010, the government introduced a new Use Class of 'C4' for any 'House in Multiple Occupation' (HMO) and generally speaking, it is permissible for any property owner to change their property from a C3 (Dwelling House) to a C4 (HMO) without the need for planning permission. However, the government also gave local councils the power to remove this permitted development right at their discretion by means of an 'Article 4 Direction'. Councils have used this to designate limitations on the number of HMOs in certain areas, so it's important to establish whether your property sits within one. If it does, you'll need planning permission and whether or not you will get it depends on a number of factors determined by the local planning policy.

If you owned and used a property as a HMO before your local Article 4 directive was introduced, you may just have to present the historic evidence if you are ever asked (or want to sell with the planning permission) – the local planning department will be able to issue you with a certificate of lawful use. Local authorities enforce this rigorously and some councils will also ask to see if you have been granted the permission. Mortgage lenders will usually ask to see it too.

The HMO licence

The Housing Act 2004 applies special rules to be adhered to HMOs. The HMO licensing is intended to improve standards in properties where it was felt tenants were at 'highest risk'. Generally speaking, a house with three or more storeys, occupied by five or more people who form two or more households (a household being defined as persons belonging to the same family), is classified as an HMO in England and Wales, and is subject to licensing.

The purpose of an HMO licence is to ensure that the property is safe and suitable for the number of tenants, and to ensure that the person who is managing the property is 'fit and proper'. You need an HMO licence if your property fits the government's description of an HMO (see below):

- **It's rented to five or more people who form more than one household**
- **It's at least three storeys high**
- **Tenants share toilet, bathroom or kitchen facilities**

A variety of criteria, standards and requirements are enforced by inspection before you can get your HMO licence granted. It ranges from minimum room sizes to amenities and evidence of safety certificates. Your local council may also add other conditions to your licence, such as improving the standard of some facilities and amenities in your property, but they will let you know this during the process.

Even if your property is smaller and rented to fewer people, you may still require an HMO licence depending on your local council requirements.

The government is currently undertaking consultation on reforms to the HMO licensing criteria, which will likely mean that a further 870,000 rented properties will require a HMO licence. There are a number of suggested reforms such as removing the three-storey requirement and confirming minimum room dimensions, so keep an eye out for this.

Gas Safety Certificate

Badly fitted and poorly serviced gas appliances can cause gas leaks, fires, explosions and carbon monoxide poisoning, so this stuff shouldn't be taken lightly by HMO landlords. Carbon monoxide is a poisonous gas which can kill quickly with no warning and some of the symptoms are headaches, dizziness and nausea – you can see why student tenants might mistake this feeling for a hangover … so don't risk it!

If you own or intend to buy an HMO, you have full responsibility for the gas safety, and you'll certainly need the certificate for your licence application. By law, you must keep all of the gas appliances you supply in a good condition and you must arrange a Gas Safe Inspection every year. The Gas Safe Register is now the official list of gas and heating engineers who are qualified to work safely and legally on your appliances; this replaced the CORGI registration. When you need any work done on your boiler or other gas appliances, or it's time to renew your annual Gas Safety Certificate, make sure you only get a Gas Safe registered engineer. It should cost around £50.

Electrical Safety Certificate

HMO landlords have a legal duty to ensure that their rental property, and any electrical equipment and appliances provided, are safe before a tenancy begins, and remain safe throughout the duration of a tenancy. This means you need a NICEIC electrical safety certificate, and the HMO licence team will require this too. Unless you want to risk a potential fire, a hefty fine and even going to prison if the worst case happened, you need to ensure that the electrical system in your property is checked by a NICEIC registered electrician at least every five years, or when modifications are made to the system. It should cost around £140.

Fire Safety Certificates

Fire safety has never been more important. Exactly what you require will depend on the type of property you have, the number of bedrooms and whether it is subject to HMO licensing policy. But one thing is for sure, you need something and you need to get it right.

You might also need emergency lighting, and whether or not you do will depend on the same things. A good starting point would be the **LACORS** guidance – the purpose of this guidance is to provide a common set of guidelines for each type of property. Your local council team will also be able to confirm this for you.

Legionella Certificate

Although a low risk, legionella is a potentially fatal disease caused by bacteria that have a tendency to grow in warm, stagnant water. You are required to ensure that you take steps towards minimising the risk of allowing legionella bacteria to grow in your property, primarily by ensuring a Legionella Risk Assessment (LRA) is completed for each property. Landlords can theoretically carry out the LRA themselves, but unless they are 'competent' as defined by the HSE, they are wasting their time. It needs some special equipment and testing, and lacking this defines most landlords as 'incompetent' on the subject. So long as the recommendations detailed in the **L8 ACOP** are followed, landlords should be able to demonstrate that they have fulfilled their obligation to ensure their property is safe.

Energy Performance Certificate

The Energy Performance Certificate (EPC) gives tenants and landlords information on the energy efficiency of their property. It gives the building a standard energy and carbon emission efficiency grade from 'A' to 'G', where 'A' is the most efficient. From the 1st April 2018, there will be a requirement for any property rented out to have a minimum energy performance rating of E. Don't worry if your property is currently less than E, part of your EPC report will list the potential rating that the building could achieve with a few recommendations on how to do it.

BE SMART ABOUT TAX PLANNING IN 2018

So long as your approach is structured in the right way, HMOs could generate you a lot of wealth over the next decade. From a tax perspective, it is now more important than ever to plan right. I am not a tax expert, and you should get advice from your own tax specialist, but here's the advice I'm following (given to me by friend and tax expert **Mark Alexander** from Property 118) as I continue to build my portfolio.

From April of last year, the ability for landlords to offset their finance costs (lending) against rental income began to be phased out for private landlords under Section 24 of the Finance Act (No.2) 2015. For the tax year we are in now, the S24 change to taxation means that 25% of your finance costs can no longer be offset against rental income. Instead, a tax credit equal to 20% of the finance costs will be applied to your tax bill. Later this year, the restriction will increase to 50% of the finance costs, rising to 75% in 2019 year and then 100% from 2020. A bitter pill to swallow, I'm sure you'll agree.

For most landlords who are already higher rate tax-payers, this will result in them paying additional tax equal to 20% of their finance costs. However, the new legislation may push many landlords into the higher rate tax bracket and when taxable income (including the disallowed finance costs) exceeds £100,000, you will begin to lose your personal allowances too.

Landlords who own properties in a company structure will remain unaffected, and despite some speculation, this remained unchanged in November's budget announcement. However, if you're considering transferring assets into a private company (which I have done this year), there are three considerations.

1. **Capital gains tax**
2. **Stamp duty**
3. **Costs of refinancing**

The good news is ...

In certain circumstances, and with careful planning, there are incorporation reliefs to deal with these tax implications. There is also a legal structure that can be used to avoid the requirement for refinancing at the point of incorporation, and there are other structures that can be implemented to negate or substantially reduce the impact of the Section 24 restrictions on finance cost relief. Mark also says that if you are married, the first level of tax planning should be to look at restructuring your incomes, which can be achieved by changing the percentage of beneficial ownership of your rental properties. Another consideration may be to form a partnership. To explore these points further, visit **www.property118.com/tax** or talk to a property tax specialist.

SPREAD YOUR FURNISHING COSTS!

Interview: Ant Lyons & Raj Beri
Words: Raj Beri

PROPERTY BUSINESS PROFILE

Landlord Smart

As part of an occasional series, YPN will be profiling people who have created a property business and have then spotted an unmet property need and developed a solution. In doing this, they have created a business that runs alongside their own property investments. It's been a while since we caught up with Tracey Woods, so it's great to welcome her back

TRACEY WOODS

NIGEL WOODS

Tracey's property journey actually started back in 2000 when she became an accidental landlady. From 2004-2005, she went onto build a portfolio of BTLs in South Wales, as it was quite a cheap area to invest in. With limited funds, she spread the money as best as she could; the original plan was to wait for prices to rise, remortgage and buy more. Due to the crash, there was little capital growth and it proved impossible to refinance the portfolio, so she stopped doing anything further in property.

In 2011, she decided to re-engage with property. Following property education via Progressive Property, she started to develop an HMO portfolio in Stevenage. Within 18 months, the income from HMOs had replaced her salary so she became a full-time investor. To develop another income stream, she then launched her first business and provided an armchair service for clients by sourcing and then developing HMOs for the local professional rental market.

YPN: Tell us more about the local HMO market. We hear quite a lot about saturation in the HMO market in certain areas and the need to provide higher and higher quality HMOs. What's the situation in your area?

Tracey: It's certainly the case that since my first involvement in HMOs, the market has changed considerably. When I first started, I could see that there was demand but the standard of the rooms available was awful so, for me, it was an easy market to get into. These days, Stevenage is definitely becoming flooded with rooms, so offering a high-standard product and service is key. I guess local competition was inevitable. After all, I built a business helping other people invest in my area so I was creating competition for myself!!

YPN: Let's talk about your other business. How did you develop the idea and how does it serve property investors?

Tracey: Landlord Smart is providing specialist lease finance for landlords to help them pay for some of the capital costs involved in setting up a property.

Our client base includes investors doing: rent-to-rent, HMOs, Serviced Accommodation and build-to-rent. The new business came about after the government decided to remove the annual 10% wear and tear allowance, which was an allowable expense against income from HMOs. Removal of this allowance increased the capital costs of setting up an HMO, ie as well as the capital outlay to refurbish HMOs, one now has to contend with additional capital costs for furniture and white goods.

> "Landlord Smart is providing specialist lease finance for landlords to help them pay for some of the capital costs involved in setting up a property."

Based on my own experience and also the experience of my husband, whose business provides energy-saving solutions to the commercial sector, we looked towards solutions to help reduce the capital outlay for HMO landlords. In my husband's business, the aim is to help commercial customers upgrade to more energy-efficient lighting by providing funds through lease finance rather than utilising capital. In a typical scenario, the customer will pay for the lighting upgrade over a three-year lease finance agreement, during which time they would make equivalent savings in reduced energy usage.

With the contacts we had on the finance side and also in the world of property, we started to develop a solution to help landlords reduce capital outlay. The product would allow the landlord to spread the capital costs over a three-year lease term and allow them to pay for the goods from the generated revenue (ie rental income).

YPN: Ok, so let's talk about some of the unique challenges that your business has faced. The property world seems to have two challenges: finding the right projects and finding capital. Another challenge is finding customers. So how do you target your customers and what are the unique challenges in your business?

Tracey: Fortunately, I have property experience but the biggest challenge is actually trying to bring something new to the market. What you are aiming to do is introduce something new and then get everyone educated to the idea that there is a better/more efficient way to do things.

"Being property investors ourselves, we wanted to give customers some choices and not be tied to just one supplier."

Changing the mindset of people to acknowledge that furniture acquisition can be financed by using other people's money isn't easy. Even though we talk about OPM in investments and JVs, the biggest challenge was actually convincing people that there is a viable alternative to purchasing furniture. Fortunately, we have a good reputation and a community who trust that what we are proposing is a viable solution.

YPN: The other thing that we see these days are very bespoke-looking HMOs and people really putting their own stamp on places. How does that work with the financing model? Do you have preferred suppliers that people work with, or can they suggest their own? As an example, let's say I've got a holiday let that I want to furnish tomorrow. At the high-end, it could easily cost £15,000-£20,000 so if I approached you, how would the process work?

Blake Henderson Ltd

Tracey: Being property investors ourselves, we wanted to give customers some choices and not be tied to just one supplier. Every project and every customer is different with regard to budgets, having different tenants types, eg professional HMOs or serviced accommodation model. The basis of the business was that we would build a relationship with trade suppliers who are quite used to providing good quality service and furniture to the rental sector. So initially, we had an approved list of suppliers that we had already worked with. This has now evolved to allowing customers to suggest their own suppliers. As long as it's a reputable trade supplier willing to accept payment after delivery, we can operate within that framework. Unfortunately, we cannot work with retail outlets like Ikea who won't work on the basis that they get paid via a finance company.

YPN: So who are your customers? Are they seasoned landlords or people who are new into property, or is it a real variety? Also, what is a typical spend by these customers?

Tracey: Firstly, we only deal with investors providing furnished accommodation. It could be a small spend, such as a one- to three-bedroom apartment to be used for serviced accommodation. We also have customers doing smaller HMOs or bigger commercial conversions into larger HMOs. We don't provide finance for anything less than a £2,000 spend. At the higher end of the scale, we have bigger build-to-rent projects where one customer has received finance for £65,000, which was to acquire furniture and many of the other items required for the final finish. We believe that the more we can push costs towards revenue expense, the better it is for the balance sheet. On the finance we provide, a fee is applicable dependent on the amount of lease finance provided.

YPN: So what are the long-term plans for your business? It would appear that you are moving into some sort of crossover between providing furniture and also development costs. Is that where your business is heading?

Tracey: Definitely so. The original idea was to provide finance for furniture and white goods. We believe that the business will keep evolving as our funders learn more about the world of property. Going forward, even things like financing boilers, which may have a ten-year warranty will need longer than three-year finance lease. So we're continuing to look at the business, look at the problems that our customers face and how we can provide solutions to help finance their projects.

Our ultimate aim is to develop a one-stop shop, eg a customer advises us that they will be developing 200 SA units and they want to discuss their financing options with us.

YPN: Do you work with any of the bigger landlord furnishing companies to help provide a finance solution, because that would seem to be the obvious next move?

Tracey: Some of the suppliers we have already used and others that we are talking to are very large organisations with multi-million pound turnovers and they're quite used to providing furniture to hotel type of environments. We have to continue to educate our potential customers and suppliers about the scope of what is possible.

YPN: You are occupying a really interesting space making certain aspects of financing more accessible. In the world of car purchasing, it often comes down to, how easy is it for me to get into that car? With property, people will be asking "How easy is it for me to get into that deal? How much money do I have to put down up front? How affordable are the monthly payments?" That actually steers probably 90% of the decision-making that we make.

As a more generic question, where are you in terms of the growth phase? Is it very much driven by yourself or are you in a position of being able to delegate?

Tracey: One of the things we have learned more about is ourselves, especially our strengths and weaknesses. We also understand more about business and about involving other people to help us grow. My husband and myself have different roles to play in the business. He is the creator and he came up with the idea of Landlord Smart to help fix the financing problem. I am more of a supporter (on the Wealth Dynamics profile) who builds teams and works with people. I therefore lead the sales and marketing side of the business doing lots of promotions, videos and generally getting the word out there.

The next phase will be to look more critically at the financial side of the business, ie what can we generate from the business in terms of the number of customers, turnover, etc. Eventually, we hope to be looking for investment into the business. Planning for growth, I have realigned two team members who were involved with our HMO business, into the Landlord Smart business. They are contractors who invoice us on an hourly basis. We also have one full-time member of staff and one part-time member.

At this moment in time, myself and Nigel represent the face of the business, being involved in a number of activities including: speaking at lots of networking events, going to training events and promoting Landlord Smart wherever the opportunity presents itself. In the future, we want to be working on developing the business rather than working in it.

YPN: I know you have travelled to some pretty cool places for holidays! In the future, how will you juggle the work-life balance of being anywhere in the world and not necessarily be tied to the office? Most of us got into property to get away from it, but it's easy to be drawn back in as the business grows.

> "We pride ourselves on talking to every single one of our customers, as we want to understand their projects and their financial needs."

Tracey: We love travelling. As you say, the reason that we went into property was to replace the dependency of having a job and having to earn an income through that. With the current business, we're aiming to take it to the next level now because we've been running it for just over a year and we feel the time is right. What that means in practice is that we're setting up the office so that it runs efficiently whilst we're away.

With technology, we're very lucky that we can communicate effectively with the staff who are working for us and who can run the business in our absence.

My plan has always been to be away for the UK for six months of the year (a few days to a few months at a time, but amounting to six months). Some of that will be chilling but some will be running the business remotely, such as monthly meetings to look at the business, looking at monthly income/expenditure reports and so on.

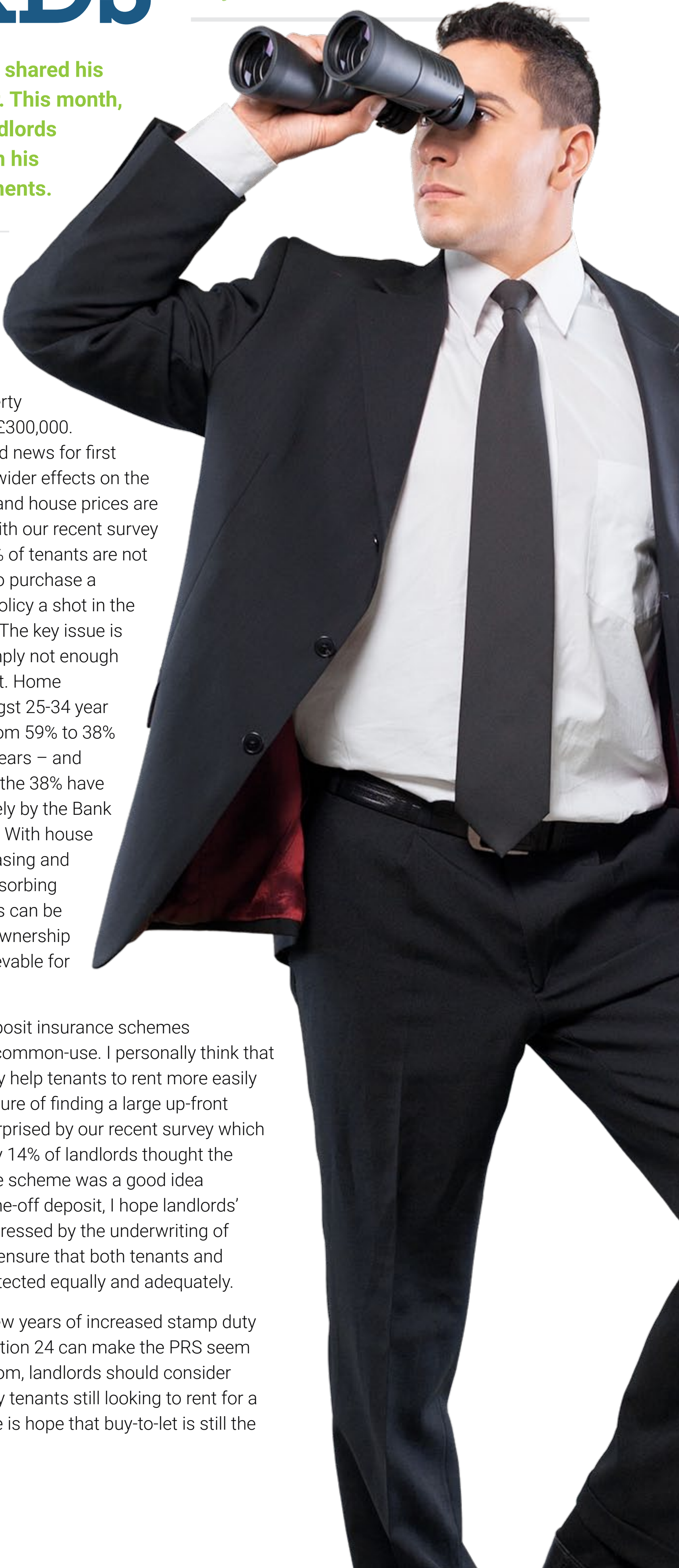
YPN: It's so easy to fall into having a business which you are tied to all the time and then we start to resent it. You have a really interesting business and you have probably only scratched the surface so far. If our subscribers want to finance a project, how do they get in touch?

Tracey: The best way to contact us is via our website **www.landlordsmart.co.uk**, which provides all the contact details. We pride ourselves on talking to every single one of our customers, as we want to understand their projects and their financial needs. We also want to understand what they are planning to do in the future as they may be wanting to scale up so will need a lot more finance.

CLICK HERE TO LISTEN TO THE FULL INTERVIEW

THE NEXT YEAR FOR LANDLORDS

By James Davis



In December, James Davis, CEO and founder of Upad, shared his thoughts on the growth of Proptech over the last year. This month, James speculates on the year ahead for property, landlords and lettings from a broader perspective, drawing from his own observations and recent government announcements.

Looking at the year ahead, I anticipate a big fallout in April 2018 when the real effects of Section 24 are felt for the first tax year since its introduction. Landlords who have been avoiding taking a long hard look at their finances or assessing the impacts of Section 24 could be in for a huge shock. If you haven't already done so, consider the following to limit the impacts on your own portfolio and property business:

- **Assess your finances and find out how your tax bill will be affected**
- **Look at ways to reduce your outgoings, such as self-managing**
- **Consider setting up a limited company**
- **Consider transferring ownership to a spouse or partner**
- **Look to see if you can pay off some of your buy-to-let mortgage**
- **Consider not only rental yield, but capital appreciation**

(Speak to a specialist property accountant before taking any action though, because each person's circumstances are different, and may demand a different solution.)

The Autumn Budget 2017 brought some relief for landlords with only a few changes that are unlikely to rock the boat to the same effect that Section 24 will. It was announced that local councils will be able to charge a 100% council tax premium on empty homes. This could sound like bad news, especially with many councils already charging the maximum 100% council tax rates. However, the finer points haven't been revealed, so we can only hope that councils will take into consideration when properties are empty because of improvement works being carried out – this is, after all, part of the aim to drive up rental standards to benefit the PRS and the owners shouldn't be penalised.

It was also revealed that first time buyers will not pay stamp duty tax on property purchases up to £300,000. Whilst this is good news for first time buyers, the wider effects on the property market and house prices are yet to be seen. With our recent survey showing that 75% of tenants are not actively looking to purchase a property, is this policy a shot in the wrong direction? The key issue is that there are simply not enough homes being built. Home ownership amongst 25-34 year olds has fallen from 59% to 38% over the last 13 years – and many of those in the 38% have been helped largely by the Bank of Mum and Dad. With house prices ever-increasing and sky-high rents absorbing what little savings can be afforded, home ownership is no longer achievable for young people.

I also foresee deposit insurance schemes becoming more common-use. I personally think that these would really help tenants to rent more easily without the pressure of finding a large up-front deposit. I was surprised by our recent survey which revealed that only 14% of landlords thought the deposit insurance scheme was a good idea compared to a one-off deposit, I hope landlords' concerns are addressed by the underwriting of these policies to ensure that both tenants and landlords are protected equally and adequately.

Whilst the past few years of increased stamp duty tax rates and Section 24 can make the PRS seem all doom and gloom, landlords should consider that with so many tenants still looking to rent for a longer term, there is hope that buy-to-let is still the best investment.

BUYING TENANTED PROPERTY

By David Lawrenson

Should you buy a property that is already let? David Lawrenson considers the questions you should ask the existing landlord and other third parties (including neighbours), what documents you should check carefully and why it's best to meet your future tenants in advance.

If you buy a property with tenants already living in it, they will become your tenants, earning you money from day one. Sounds like a good idea? It can be, but there are a few things to look out for.

QUESTIONS TO ASK

First, why is the current landlord selling? Maybe he has made a lot of money and just wants to cash in. Or he might be moving abroad, or simply can't be bothered any more. Perhaps George Osborne's tax changes have made his business unworkable?

There could be many reasons, and the selling landlord may not be too forthcoming with the real answer. You may have to do a bit of digging around.

Looking carefully at the property and the area will give you some idea. Does the property need maintenance work? Does the décor look tired and worn out? Does the kitchen/bathroom need modernising? Is the boiler coming to the end of its useful life? What condition are the electrics in and will they need to be renewed? Does the roof need to be repaired or replaced?

If so, putting these things right will all cost money. Try to estimate the costs.

If you're not an expert yourself and don't know whether the boiler really needs replacing, bring in an expert who does. The same goes for other jobs too. This may mean two visits to the property – one to get an overall impression of what work might be needed, another with an expert who can give you a fixed quotation for the work and the timeline involved in doing it.

If works are required, ask your builder whether he can work around the tenants or whether they would have to move out for a period. Both options will cost you. If, for example, the tenants can't use a room for a few days because it is being replastered and repainted, they would reasonably expect some reduction in their rent. If they have to move out, you should reasonably not charge rent for the period they stay elsewhere, plus pay them something on top to compensate for the hassle.

It's a good idea to meet your future tenants if you can, to gauge what kind of people they are, how they live and how amenable they are to any plans you have for the property.

> "It's a good idea to meet your future tenants if you can, to gauge what kind of people they are"

Also, try to meet the neighbours. If the tenants are making their lives hell, you may do well to avoid buying the property; their disruptive behaviour will no doubt show up in unpaid rent and other antisocial activities. You might have the neighbours on your back too.

> Properties being sold with a tenant in situ are often found at auctions

Check the tenancy agreement that you will inherit carefully, as this will determine your rights as well as those of the tenants. Ask your conveyancer to obtain the current tenancy agreement and to ask the current landlord about rental income, payment frequency, how many tenants are on the agreement, the deposit, and tenant payment record. In addition, your conveyancer should ask whether any legal notices are being served or have ever been served on the tenant. If they have, this ought to be reflected in the asking price.

Always use a conveyancer who has experience in buying residential property with tenants in situ.

FINDING TENANTED PROPERTIES FOR SALE

Properties being sold with a tenant in situ are often found at auctions. The auctioneer's catalogue will contain information on the type of tenancy, rental income and annual yield, but that may be about it – your conveyancer's job will be to find out more.

Other sources include estate agents and other landlords; networking with these groups will help.

To obtain mortgage finance, the type of tenancy agreement you are inheriting will normally need to be an AST or possibly an assured tenancy (AT). The differences are:

- **AST: you can automatically get possession of the property at the end of the six-month term of the tenancy**
- **AT: the only real way to end this is if the tenant breaches the terms of the tenancy**

(From January 1989 to February 1997, to create an AST, the previous landlord would have to have served a special notice, called a Section 20 Notice, before the start of the tenancy. If he didn't, it would automatically be an AT.)

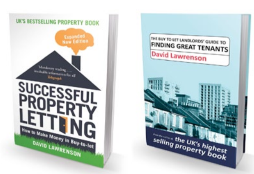
Tenancies which started before 15th January 1989 are regulated by the Rent Act 1977 and are often called "Rent Act" tenancies. With Rent Act tenancies, it's very difficult to evict and landlords can only charge a "fair rent."

Note: a fair rent is whatever a rent tribunal says is fair and tends to be well below market rents! A fair rent, once set, usually can't be challenged for two years. And you can't convert a Rent Act tenancy to an AST.

Evicting a Rent Act tenant requires specialist legal advice. With their disadvantages, these forms of tenancy are declining in number and only a masochist landlord would issue one today. Quite a few properties sold at auction still have sitting Rent Act tenants; this should be reflected in a lower house price.

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: the recently updated **"Successful Property Letting - How to Make Money in Buy to Let"**, and **"Buy to Let Landlords Guide to Finding Great Tenants"**.



WHAT HAS 2018 GOT IN STORE FOR US?

BY MARY LATHAM

As the new year begins, I'm going to discuss the legislation that we know is on the way, together with Bills or consultations that are likely to bring more.

When the clocks went back, we saw a rush of announcements. Unfortunately, copy deadlines for a monthly magazine mean we can't announce "breaking news", but what we can do, and what I always aim to do, is explain exactly what the changes will mean for people investing in property to let. Sadly, we don't seem to have many friends in those quarters these days, but there are still some MPs who actually understand the impact of more pressure on the PRS, particularly in relation to the Homelessness Reduction Act 2017. This Act will put a lot of pressure on all local authorities to be pro-active when working with private landlords – without us they have no hope. Most of them are well aware of that, although it's not always obvious.

HMO

National legislation takes powers away from local authorities and prevents them from giving landlords some leeway on issues like slightly undersized rooms. Many local authorities have been allowing one room in an HMO to be below the minimum size, but this is an example of something they will no longer be able to do when the new legislation comes into force in 2018.

Minimum room sizes:

Since The Housing Act 1985, Section 326, the prescribed national minimum room sizes are:

110 sq. ft. (10.22 sq m) or more	**2**
90 sq. ft. (8.36 sq m) or more but less than 110 sq ft	**1½**
70 sq. ft. (6.5 sq m) or more but less than 90 sq ft	**1**
50 sq. ft. (4.65 sq m) or more but less than 70 sq ft	**½**

A ½ person refers to a child under the age of 10.

Change to be introduced: a child will be classed as an adult for the purpose of room sizes, therefore **a room of less than 6.52 sq m will not be habitable. For a child to share a parent's room in an HMO, the room must be a minimum 10.22 sq m, the same as for two adults sharing.**

Reminder: where two single parents, each with one child, share facilities, the property is an HMO unless the parents are related. The new standards will apply regardless of the number of ASTs, because a property shared by two or more families is and always has been an HMO. This will probably be the type of tenancy most affected by this change because it's rare for a traditional HMO to be occupied by children.

Changes will be made shortly to several Sections of the 1985 Act including Section 326 and **Part XI Fitness for the number of occupants** Section 354. Local authorities will then be required to enforce the new standards.

In 1994, the Institution of Environmental Health Officers published the guide that most local authorities use when carrying out a Housing Health and Safety Risk Assessment (HHSRS introduced in the Housing Act 2004). These are in line with proposed standards:

For up to five people sharing, where bedrooms are 6.5 sq m:

- 11 sq m kitchen
- 9 sq m living room

Where there is no communal living space, bedrooms must be minimum 10 sq m. Where cooking facilities are within the bedroom, that room must be a **minimum of 13 sq m.**

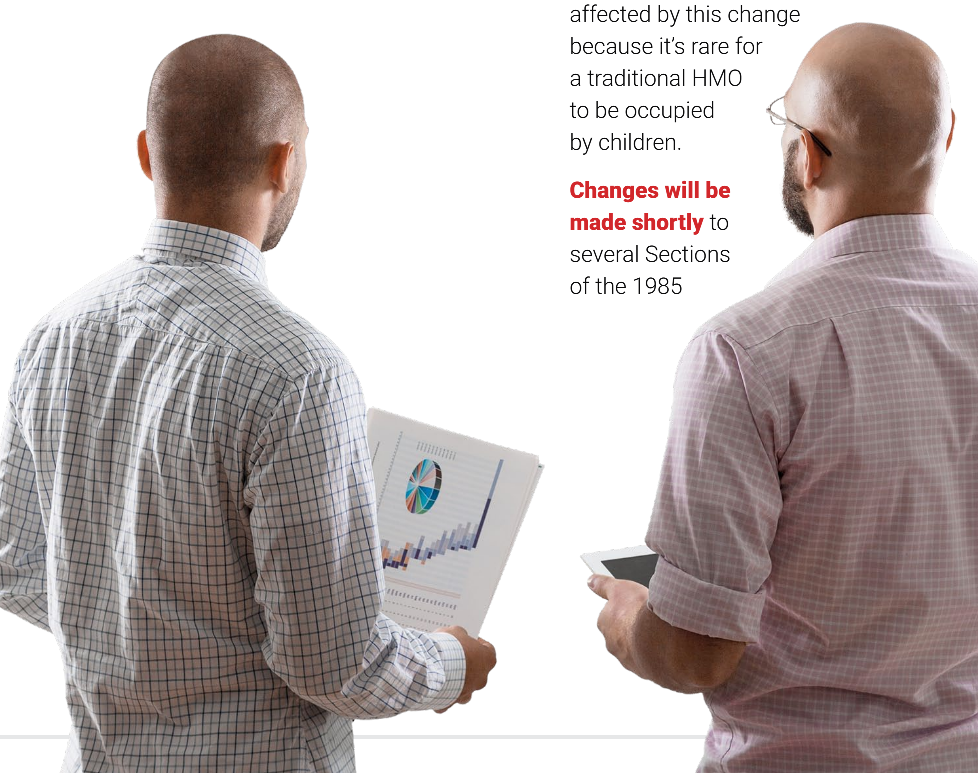
The minimum ceiling height for all rooms must be 2.14m; any area with a ceiling height below 1.53m must be disregarded.

Any habitable room (bedrooms and living rooms) must have a widow opening directly on to external air with a minimum opening of 1/20th of the floor area of the room. A kitchen, bathroom or toilet without a window must have a mechanical ventilation system that changes the air three times an hour; if linked to the lighting circuit, it must overrun by a minimum 20 minutes.

A heating appliance must be capable of heating a living room to a minimum of 21 deg when the air outside is -1 deg centigrade, and a bedroom to a minimum of 18 deg.

Each bedroom that doesn't have its own kitchen must be no more than one floor from a kitchen where there is no other living space.

This document also includes the number of appliances, storage space and personal hygiene facilities which must be provided. The guide to HHSRS, which applies to any rented property, can be read here: **https://www.gov.uk/government/publications/housing-health-and-safety-rating-system-enforcement-guidance-housing-conditions**



CONTROLLING HMOs

The Welsh Government, since 25th February 2016, has given planning authorities the power to require planning consent for new HMOs.

English authorities have for some time had the power to introduce a restriction on the number of properties being converted from single dwelling houses to HMOs by introducing an Article 4 Direction. Nevertheless, the government still have concerns about the increase in the number of HMOs, the standard of some of them and the impact on local communities.

Licensing is seen as an effective way of controlling these issues, and this is the basis on which they have decided to reduce the criteria for mandatory licensing. **The government have estimated that the extension of mandatory licensing will affect 28,000 landlords and 141,484 properties** when the new criteria are introduced this year. I have covered the criteria in previous articles and this has not changed. One would think that most local authorities would be gearing up to deal with 141,484 licence applications, in addition to the renewals of existing licenses and applications for new mandatory licenses, but in fact most of them are still consulting on **introducing selective licensing** instead.

SELECTIVE LICENSING

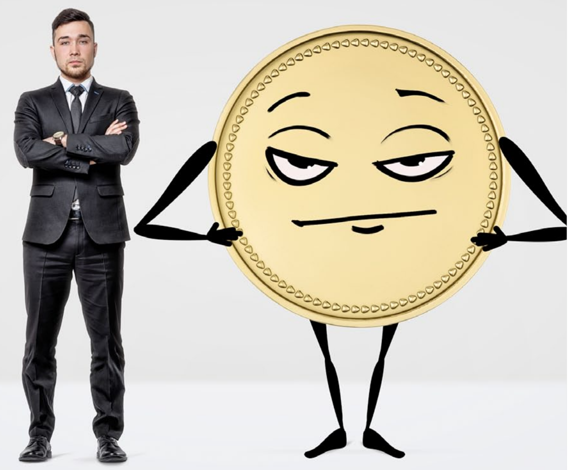
Interestingly, the NLA has reported:

"A DCLG Minister has confirmed, in an answer to a parliamentary question, that the Department will soon be undertaking a review of selective licensing. We are chasing up with DCLG at the moment to find out more details, and will keep everyone updated. Lord Kennedy of Southwark asked on 16th October: To ask Her Majesty's Government what assessment they have made of local authority private sector landlord licensing schemes. Lord Bourne of Aberystwyth answered on 30 October 2017: Licensing is an effective targeted tool delivering improved standards and safety in the private rented sector in specific areas that are suffering from serious problems. The Department will shortly undertake a review of selective licensing."

Selective licensing includes **any rented property in an area** designated for selective licensing by a local authority. The government has put a stop to local authorities introducing selective licensing for the whole of their area. Had the government intended the whole PRS to be licensed, they would have made it mandatory in the Housing Act 2004. They didn't, and clearly were not happy with authorities who decided that the word "selective" could be ignored. Nevertheless, the epidemic of introducing more licensing has spread to most local authorities, now seen as a ***"nice little earner"***. More schemes are introduced every week with seemingly no consequences for the authorities who take the money and run …

I am delighted that someone has finally asked the important question: ***"Does selective licensing make any difference?"*** I can't think of any other business that has been burdened with this additional "tax" where no-one is accountable for the outcome. **I am REALLY looking forward to DCLG requiring that all local authorities who have introduced selective licensing, quantify the difference it has made to the lives of tenants (other than rent increases) and the impact on local communities (other than to reduce affordable housing)**. I will report back on the progress of this investigation. In the meantime it won't do any harm when you attend a meeting with a local authority Licensing Officer, to comment, ***"I will be interested to read your response to DCLG when they ask what difference selective licensing has made in this area, considering the amount of money it has cost landlords."***

TENANTS FEES BAN



By now you will be aware that tenants will soon no longer be required to pay any fees in relation to the granting, renewal or extension of a tenancy. This applies to anyone offering a tenancy, including landlords. The NLA and other trade organisations have won some concessions – we will be able to …

- **still take a retainer or holding fee**
- **still charge fees for anything covered in the AST during the tenancy**
- **take up to six weeks' rent as a deposit**

RETAINER/ HOLDING FEE

A retainer shows a tenant's commitment. That's something we need, so the battle to allow us to continue taking one was one worth fighting. There will, however, be some safeguards in place to ensure that tenants are protected from unscrupulous landlords and letting agents:

- **The maximum – equivalent to one week's rent.**
- **We must make clear what will happen to this money:**
  1. **It must be returned** if the landlord or letting agent decides not to take the tenant, unless that decision was based on the tenant giving false information.
  2. If the tenancy goes ahead, **it will become part of the first month's rent, or the deposit, or refunded to the tenant** – there are no other options.
- **We have 15 days in which to complete the process and sign the AST, otherwise the retainer must be returned to the tenant. If we have good reason to believe we cannot do so within 15 days, we must have a signed agreement with the tenant that the process will take longer, in which case we can continue to hold the fee until the AST is signed. It is not clear whether a maximum period will be put in the legislation, but tenant groups are likely to push for that.**
- **This fee cannot be retained if the tenancy is not offered because of a bad reference or for failure to satisfy any other criteria, unless the failure was a direct result of the tenant providing inaccurate information.**

TENANCY DEPOSITS

The changes have no impact on tenancy deposit legislation other than to cap the amount of the deposit:

- **The maximum – equivalent of six weeks' rent**

This means that taking the **last month's rent at the start of the tenancy cannot continue unless it is part of that amount** and is **protected as a deposit.**

RENT IN ADVANCE

There has been no mention of taking rent in advance.

The trade organisations have made it clear that removing our ability to do this will **disadvantage many tenants**, especially those coming from overseas with no credit history. I have no doubt that this will be addressed and, if it is allowed, safeguards will probably be put in place to protect tenants from unscrupulous practices.

CHARGES DURING THE TENANCY

We will be able to make some charges during the tenancy for breaches of the contract, so long as the term in the contract is fair (See Unfair Terms in Contracts here: **https://www.gov.uk/guidance/unfair-terms-explained-for-businesses-full-guide**)

- **The contract must make charges clear**
- **The contract must make clear the circumstances and amount to be charged**
- **This will not apply to damages, cleaning, etc, at the end of the tenancy; these must be covered under tenancy deposit regulation to enable the tenant access to free arbitration**
- **The charge must not relate to the granting, renewal or continuation of the tenancy**

Tenants cannot be requested to obtain their own references via a third party, nor obtain any other services from a third party, which would normally have been dealt with by the landlord or tenant. An example of this would be requiring a tenant to pay for an inventory to be carried out at the start of the tenancy.

RGI is a protection for landlords, therefore a tenant must not be required to obtain this cover. I have heard it said that RGI protects tenants; this is not the case because when an insurer pays the landlord they then take recovery action against the tenant.

CONSULTATION ON REGULATION OF "PROPERTY AGENTS"

The announcement didn't say letting agents. I believe the term **"property agents"** was deliberately used because it will reach far wider and include all those offering an **agency service – in other words letting property they do not own to tenants.** Many people offer informal letting services to family and friends, but that still counts as a service, so will apply to them as well because the legislation is intended to protect tenants. This Bill will also cover agents managing leasehold properties (not before time in my opinion).

The proposals:

- **Membership of a recognised trade body**
- **Working to a code of conduct**
- **Minimum entry requirements and standards in order to operate**
- **Must have client money protection insurance**
- **Regulatory approach and enforcement to be put in place**
- **Empowering consumers through rights to choose and switch agents and to challenge charges**

The consultation, **'Protecting consumers in the letting and managing agent market' ended on 29th November 2017**. Following the consultation, a Bill will be introduced to Parliament. This is expected to move quickly because it's unlikely any MP will try to prevent what will be a very popular piece of legislation which, coupled with the ban on fees, will change the PRS forever.

To end on a positive note from the NLA: ***"The NLA has raised the issue of landlords being expected to pay business rates, especially those who let to students, on behalf of its members with DCLG on many occasions, and received reassurance that the respective government of the day was not inclined to adopt such a policy. However, it is reassuring to see that the current local government minister (Marcus Jones) agrees with us, and his predecessors. This is illustrated by the following exchange, which took place in the House of Commons on 30 October 2017. Thangam Debbonaire MP (Bristol West) (Lab) asked: In Bristol, university expansion means that a significant increase in student numbers is putting pressure on stretched local services right now, yet student accommodation providers contribute almost nothing to the costs. Will the Secretary of State meet me to discuss bringing student accommodation within the scope of business rates, like other businesses, to help to ease this strain on Bristol and other councils? The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones) answered: I can confirm to the hon. Lady that we have no plans to change business rates by bringing student accommodation into their scope as she advocates."***

HAPPY NEW YEAR *I hope!*

Mary Latham is the author of

"Property for Rent – Investing in the UK: Will You Survive the Mayhem?"

STARTING OFF WITH £30,000 IN DEBT...

A Young Graduate Tells How He Became A Millionaire In Just 1 Year & Explains How You Can Do The Same

If you'd like property cash flow to replace your salary, pay for the car and holiday of your dreams, this year... not in 3 or 5 years time. If you'd like to learn a simple 4-step property cash flow system completely risk free, because you only pay when you succeed, then this will be the most exciting message you read today.

Here's why: My name is Arsh Ellahi and 17 years ago, as an over optimistic university graduate, I made the courageous decision to start my own property business. My friends laughed when I told them, for one simple reason: you need money to buy property. As a graduate, I had none. I didn't care what they thought. I went ahead and tried my idea: to build an HMO portfolio with JV finance. Unfortunately, with no property experience, and only being 21 years old, I couldn't raise JV finance.

AFTER MONTHS OF REPEATED FAILURE

It looked like my friends were right. That I was a dreamer for wanting to start my own business and that, like them, I should have looked for a job. This desperate situation forced me to find a way to invest in property without buying a house.

WHAT I DISCOVERED COMPLETELY CHANGED MY LIFE!

In just 3 years I made £6 million cash flow! How is that possible? All I did was use a simple 4-step system to, find and trade BMV deals.

For the past 17 years, there has always been a waiting market for deals because so many property investors believe... it's impossible to find BMV deals.

WHO NEEDS THIS SECRET?

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

If you answered Yes to any of the questions above then you need to join the Elite Property Tribe (EPT). **Here's what it's all about:**

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

CAN I MAKE A £3,000 INVESTMENT IN YOUR PROPERTY SUCCESS?

The EPT is a 52 week training, mentorship and accountability program. The investment in yourself to join is £6,000. You only need to make half of this investment, as I would like to invest £3,000 in your success. The balance is paid only when you succeed. So if you don't start a deal trading business, then you don't pay an extra penny.

100% MONEY-BACK GUARANTEE

When you join the EPT you risk nothing because you are covered by my 100% Money-Back Guarantee. Joint the EPT today, participate in the online trainings. If after 30 days you are not blown away by the real word knowledge, please send me an email and I will give you a full refund. No questions asked. No forms to fill in. No problems at all.

YOU'VE GOT TO BE QUICK

The door to join the EPT only opens twice a year, in January and in May. The training starts on Wednesday 1 February, which is why entry closes 31 January.

YES, I'D LIKE TO JOIN THE EPT

To join the EPT today or for more information, email **arsh@arshellahi.com**. There is no risk to you because you are covered by my 100% Money-Back Guarantee.

To see how previous attendies got on, visit **http://bit.ly/EPTJan18**.

To your success ArshEllahi

A WORD OF WARNING ABOUT SYSTEMS

By Jeff Hancock, Jacquie Edwards and Anthony D'Souza

We love systems. They are awesome and can make your life and your property investing 100x easier. From simple systems like checking your email, as we discussed in the February and March 2017 issues, to detailed management systems, like we discussed back in May 2016, every system has its place. It is important to remember that the type of system that is right for your business might not be right for someone else's and also that your systems will change and evolve over time.

One thing that I see happen quite often, especially with new property investors, is that they want to have their systems all set up ahead of time. They want to have everything perfect and organised and ready to go even before they find that first property. So instead of getting out and looking at properties they are busy researching CRM systems and working on the perfect spreadsheet while having an expensive website designed with just the right logo and brand and image that takes weeks and weeks and weeks to perfect (and also costs lots of £££).

While I love a beautiful spreadsheet … probably more than most people … and I know having a website is important (we discussed it in the December 2016 issue), I don't recommend spending all your time building these things at the expense of getting out and looking at properties. You don't need the perfect deal calculator to get started. You don't need to know exactly how you will reference every single tenant before you've even put in your first offer on a property. You don't need to have a lifetime membership to the hippest property management software when you are only managing one or two properties.

Of course, it is great to have a look and start getting an idea of what you want as your business grows and scales, but the most important thing you should be doing at the outset is getting out and seeing as many properties as possible. If you are looking for BMV or other creative deals, the magic is in the numbers – and I don't mean just how much the property costs. The more properties you go and look at, the more chance you have of finding a great deal. Not every seller is motivated and not every strategy works on every property, so you need to be looking at as many as possible to find the nuggets of gold that will create a win-win deal. Whether you plan on sourcing the properties yourself or using a sourcer, you need to be looking for the deals first – spending at least 70% of your time on that, and then maybe spend 10% of your time on setting up your systems.

"The more properties you go and look at, the more chance you have of finding a great deal."

While a great spreadsheet and a great Rightmove scanning plan can help speed things up in finding the perfect property, if you haven't gotten out and tried looking at properties to understand your market and what works and what doesn't work – it's hard to create a working system.

For instance, it is difficult to set up the perfect property sourcing system to hand over to a VA (virtual assistant) to manage for you if you haven't actually gone out and done it yourself a few times. Now, I'm not saying it's impossible, especially if you've got a great mentor that's been there and done that, I'm just saying that in order to systemise something, it is best if you've gone out there and done it yourself. Once you have tried a few different techniques and learned the ropes, then you can sit down and decide which method and strategy worked the best to create your awesome system.

So the moral of the story is that while we love systems, there is a time and place for them. If you are getting started and wondering why you haven't found any deals, consider how many properties you have viewed. And if you are telling yourself you can't view any properties until you know exactly what you are looking for and have the perfect spreadsheet to calculate the profits, or the perfect company name to put on your business card, then I urge you to re-think your priorities and get out there and view properties. By doing the viewings, you will get the learnings that will make all your systems much easier to create and implement – plus you are more likely to find a few good deals if you are actually out looking at houses!

Jacquie Edwards is the author of ***"Rent to Rent: Your Questions Answered"***

THE BUY-TO-LET MARKET OVERVIEW

Chris Worthington

The copy date for this edition of the market overview was the day after the budget announced by Philip Hammond on 22nd November. Despite the tight timescale I decided to include the measures in the budget relevant to the housing market. First I will briefly review the development of government housing policy and the views of commentators on the housing market during 2017.

In February the government published a Housing White Paper entitled *"Fixing Our Broken Housing Market."* It set out measures to improve the supply of housing, including: higher fees and new capacity funding for local authority planning departments; an improved approach to developer contributions for new housing developments; and additional funding for housing associations and other not-for-profit developers through an expanded and more flexible affordable homes programme.

Since the publication of the White Paper, the Prime Minister has pledged to make sure that more homes are built in the UK, stating that *"for decades we simply have not been building enough homes and we have seen prices rise, we must get back to into the business of building good quality homes for people who need them most."* In the speech to the Conservative Party Conference, she announced an extra £2bn for affordable social homes with councils and housing associations.

On the Andrew Marr Show, Communities and Local Government Secretary Sajid David said that the government should take advantage of ultra low interest rates to borrow to build with a target 300,000 homes per year. He denied that green belt land is at risk of being built on, saying that *"I don't believe that we need to focus on the green belt, there is lots of brown field land."* He also hinted that high-rise housing is seen as the way forward, pointing out that London is less densely built-up than many other European cities.

In terms of housing supply, there is no denying the scale of the problem. 1.1 million new homes have been built since 2010 and although 217,259 new homes were built in the past year, there is still some way to go before reaching the minimum of 250,000 new homes per annum that are needed to keep up with demand. Various solutions to the housing crisis have been proposed by industry experts.

In November 2017, The Times newspaper published a policy checklist for the housing market, here is a summary:

- **A holiday on stamp duty or raising the threshold**

- **An extension of Help to Buy beyond 2021 and a boost to funding**
- **A fund to boost the supply of mid-market rental properties**
- **Allow developers to borrow more to unlock large complicated sites**
- **Tax relief for build-to-rent**
- **Allow local councils to retain 100% of right to buy sales receipts and be given more freedom to borrow to build**
- **Review the classification of greenbelt land**

Several other industry experts have commented on the policy of protecting the greenbelt. Paul Cheshire, a professor at the London School of Economics, recently said, *"the absolute key issue is land. The greenbelt policy was rolled out between 1947 and 1955 in a completely different world, it's not fit for purpose."* Savills have suggested greenbelt swops, whereby councils could remove greenbelt protection at one area in exchange for protection at another area.

So how well did the housing part of the budget stack up against the views of industry experts?

First, a summary the main proposals ...

- **A cut is stamp duty for FTBs on properties below £300,000**
- **A commitment of £44bn of capital funding loans and guarantees to allow the delivery of 300,000 homes by the mid-2020s**
- **£630m for the homebuilders' small sites fund to deliver 40,000 new homes**
- **A doubling of the housing infrastructure fund to £2.7bn and £1.1bn to unlock strategic sites**
- **£34m to develop construction skills across the country**
- **Councils in high demand areas will permit more homes for FTBs and affordable rent**
- **The Homes and Communities will be expanded and renamed Homes England with a remit to deliver new homes where they are needed**
- **Planning reforms to encourage homebuilders not to sit on permissions already granted**
- **A doubling of the council tax premium that can be applied to empty properties**

Reaction from the industry to the headline-grabbing cut in stamp duty has been mixed. Some commentators agree that it will help first time buyers while others think it is marginal in terms of housing supply, and will simply put up house prices.

Personally, I welcome the fact that the government has at last put housing firmly on the agenda. The additional funding to improve housing supply and the improvements in planning announced in the White Paper will take some time to produce results but they are a step in the right direction. However, the issue of building on the greenbelt appears to be unresolved at least for the time being.

There were no measures in the budget that will directly adversely affect BTL investors but having said that were no new incentives for the industry either. However, the chancellor did announce a consultation about longer term tenancies in the private rented sector.

Looking to the future, BTL investors might wish to consider the forecast for GDP growth in the budget. This is forecast to be only 1.6% by the mid-2020s, rather at odds with the chancellor's generally optimistic view of the economy. It will be a constraint on future wage growth and therefore possibly on the annual growth in rents.

The Buy-to-Let Market in LEICESTER

In recent years the City of Leicester has been in the news. First came the discovery of the skeleton of Richard III buried under a car park. Then in 2016 Leicester was named the UK's greatest sporting city and Leicester City FC won the Premier League. Leicester Tigers continue to be one of the most successful rugby union clubs in the country and we should also give credit to the footballer Gary Lineker who was born in Leicester and advertised Walkers crisps. Eleven million packets are produced every day at the Leicester factory.

Turning to more serious matters, Leicester is an important centre for manufacturing, with the largest economy in the East Midlands. Major companies in Leicester include **Brantano Footwear**, **KPMG**, **British Gas**, **Caterpillar (inc)**, **Topps Tiles** and **DHL**. Engineering is an important part of the economy, major companies in this sector include **Jones and Shipman** (foundry equipment), **Transom Engineering** (materials-handling equipment) and **Trellborg** (suspension components for rail and marine applications).

The thriving economy has supported a steady growth in population. The **current population is around 330,000** compared with 284,000 in 1971. It is forecast to be one of the fastest growing cities in the country, with **a population of 400,000 by 2035**.

Leicester has very good connections to the transport network. It is at the midpoint of junctions 21, 22 and 22 of the M1. There are also motorway connections to Birmingham and Coventry. Leicester is 99 miles from London St Pancras by rail, and there are rail connections to major towns and cities in the East Midlands and Yorkshire. The East Midlands Airport is 20 miles north of the city. Alternatively Birmingham Airport is 38 miles away by road and there is also a rail link. There are secondary cycle routes to Route 6 of the National Cycle Network.

Leicester is home to two universities, the **University of Leicester** and **De Montford University**, formerly Leicester Polytechnic. They both have strong links with local industries including engineering companies.

Leicester is also home to the National Space Centre – the University of Leicester is one the few universities in the UK to specialise in space sciences.

Central Leicester has two primary shopping areas, **Highcross Leicester** and **the Haymarket Shopping Centre**. **Saint Martins Square** and **Leicester Lanes** are the best places for designer and specialist shops, and several of the city's Victorian arcades are located there. The most recent addition to the cultural offer in Leicester is **The Curve**, a performing arts centre. **The City Gallery** is one of the region's leading contemporary art galleries and the **Attenborough Arts Centre** at the university is named after Richard Attenborough who was born in the city. Leicester is the setting for the fictional Diaries of Adrian Mole created by Sue Townsend.

High volume housebuilding continued across Leicester during the post war period. Existing housing estates were expanded and several new estates, both private and social housing, were built. The last major development of that era was a mixed public and private development at **Beaumont Leys** in the north of the city. Several of the volume housebuilders are currently involved with new developments in the city, including David Wilson, Redrow and Persimmon. BTL investors also have the option of investing in new apartments in the city centre. Two examples are at **Agin Court** and **City Heights** where investors can expect a rental return of around 7%.

A third option is to invest in student accommodation. The two universities together educate about **40,000 students**, and demand for quality accommodation is high. Based on a recent report published by Knight Frank, Leicester has a shortage of high quality purpose-built student accommodation with over six students in Leicester for every dedicated room in the city centre.

BTL investors should consider investing in developments such as **#47**, a new development of student accommodation in the heart of the city centre. It consists of 47 luxurious studios and one-, two- and three-bedroom flats separated over seven floors. Each studio will be completely self-contained and the development will also offer superior communal facilities such as a fitness room, communal lounge/games room and a garden/recreational area.

According to home.co.uk the **average house price in Leicester is around £228,000**, with **one-bed flats available for around £96,000** and **three-bed houses available for around £212,000**. **Average rents are around £1,000 pcm**, giving an average annual return of over **5%** with higher rental returns of **over 6%** for smaller flats.

The latest edition of the Hometrack UK Cities House Price Index places Leicester fifth in the league table of the 20 major cities for the increase in house prices in the past year, at **5.4%**. The average increase in house prices in cities in the UK last year was **3.6%**. The increase in house prices in Leicester in the previous year was **5.5%**, indicating that the annual increase in the city is relatively stable, unlike some other cities where volatility in house prices has created uncertainty for BTL investors.

Leicester gives the impression of being a confident city and unlike many other cities in the UK, it has retained a strong manufacturing sector. Annual rental returns are generally high and the annual increase in house prices is stable. There is a range of opportunities available to BTL investors, especially in the city centre, and it would not be unrealistic to expect a **total return over 10%**.

LEICESTER CATHEDRAL

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

YPN RATED

By **Angharad Owen**

THE COURSE	**An Introduction to Property Conversions**
THE HOSTS	**Jane & Joe Harling**
THE PRICE	**£395**
THE LOCATION	**Park Plaza County Hall, London**
WHEN	**16th September, 2017**

THE COURSE AND CONTENT

The room at the Park Plaza was almost full when I arrived for this course, and although I was five minutes late (oops!), I wasn't the last one in. A few sidled their way in after me and found getting a seat a rather difficult challenge. (That says a lot about the popularity of the course and the topic, which must only be a good thing, no?) Each table seated five people, and there were plenty of pens, a specialised notebook each, bottles of water and mints.

The plan for the day was to cover the seven components of property conversions and title splitting: Finding the Property, Appraisal and Viewing, Stacking Financially, Planning, Building Regs, Leases and Freeholds, and The Exits.

Jane and Joe had a "car park system" for questions: if you had a question, you posted it on the car park board on the wall, using one of the post-it notes provided on each table. The questions would then be answered after the breaks. It was a good idea to reduce interruptions, however it was awkward to get up and park a question without interrupting anyway (especially if you were sitting in the front). It could potentially be easier to engage with the hosts and fellow patrons to keep the flow and conversation going.

Jane and Joe were easy to follow, and personable. They spoke clearly and were happy to explain further if someone did not understand. Most of what they had to say was backed up by their experiences and they talked through a number of their own projects. One activity that jumps to mind as I write – we were given the blueprint to an office block and were asked how best to convert it into an apartment or two!

One of the topics covered in the morning was Appraisals and Viewings. Jane talked us through the key points to look for when you're viewing a property. First of all, would a single woman feel safe walking home at night? If you wouldn't let your daughter live there – why let your tenants do so?

They mentioned a few other tips, such as if the plumbing of the property is at the back, then don't put any potential bathrooms at the front. Also, consider things like, do the rooms flow? Will the conversion be easy?

After lunch, Joe talked us through various building regulations and special materials that they use. All the materials were on display for us to have a closer look, and there were brochures to take away containing more information. Did you know there was fireproof paint? I do now!

There is a small upsell to their three-day advanced course; however Jane and Joe believe that you should only pay once for education, so the cost of the introduction day is deducted from the price.

For attendees, Jane and Joe also offer two exclusive webinars after the course for any questions that may have popped into your head after the training day.

WHO IS THIS COURSE FOR?

Although an "introduction", I believe it's important to have some sort of property knowledge behind you, whether it be a BTL portfolio, or having done enough reading that you know the lingo. Without this prior knowledge, it could be difficult to understand what is going on.

Jane and Joe work extensively with listed buildings, therefore if you have an interest in working on this type of project, this course would be great for you. They provide lots of information on how to work with conservation officers, and given their specialist knowledge, this would be a great course to begin with if you are looking to go down that route.

WHAT COULD BE BETTER?

Like I said before, I wasn't particularly a fan of the "car park system" for questions, as I find it's easier to communicate there and then on a topic rather than jumping back and forth after a break.

A few more activities and engagement between hosts and attendees (other than the standard Q&As) could be of great benefit. For example, I'm a huge fan of mini competitions where tables compete against each other, or of having the occasional pop quiz to encourage interaction.

PERSONAL EXPERIENCE

There was a lot to learn, and there is no doubt that Jane and Joe know their stuff. I'm interested in listed buildings so it was great to have the opportunity to speak with them about their experiences and potentially learn from their mistakes. Needless to say, I was so exhausted at the end of the day, I had a nap on the train home!

It wouldn't be a review of mine without mentioning the food – there was plenty of tea and coffee available throughout the day, as well as lots of yummy cakes for brain power. A three-course lunch was also included in the price of the ticket.

See you next month!

Angharad

NEXT COURSES

Introduction to Property Conversions
January 27th, Holiday Inn, Filton, Bristol

3-day Advanced
February 2nd - 4th, Holiday Inn, Filton, Bristol

Book at **www.yourpropertynetwork.co.uk/C2R**

The Property
MILLIONAIRE
Academy

The Property Millionaire Academy is the brainchild of founders Peter Hogan and Freddie Rayner.

We offer training in the whole range of property investment strategies, including some you haven't heard of yet!

Besides courses, workshops and seminars we also offer our Personal Mentoring Programme, in which we hand-hold you to your success.

Also, uniquely in the world of property investment training, we offer franchise opportunities in our business. No other property training academy in the UK also offers franchise opportunities.

Freddie Rayner

Peter Hogan

Look out for our forthcoming book: **'The LAST Property Investment Book'** (You'll ever need!) We have contributions from **ALL** the top investors and trainers in the country – it is the one-stop-shop for all your property investment needs. It is due to be published in the new Year, but you can pre-order at a discount on our website.

We holding a two day Property Spectacular in London on the 14th and 15th April. All the contributors to our book will be there on stage sharing their property investment secrets with you. Don't miss it!

Lot's of goodies. Lot's of networking.

Everyone who is Anyone in Property will be there.

Don't Miss It!!!

You can book your place on our website:

www.ThePropertyMillionaireAcademy.co.uk

YOUR PROPERTY BOOK REVIEW

THE COMPOUND EFFECT

By **Darren Hardy**

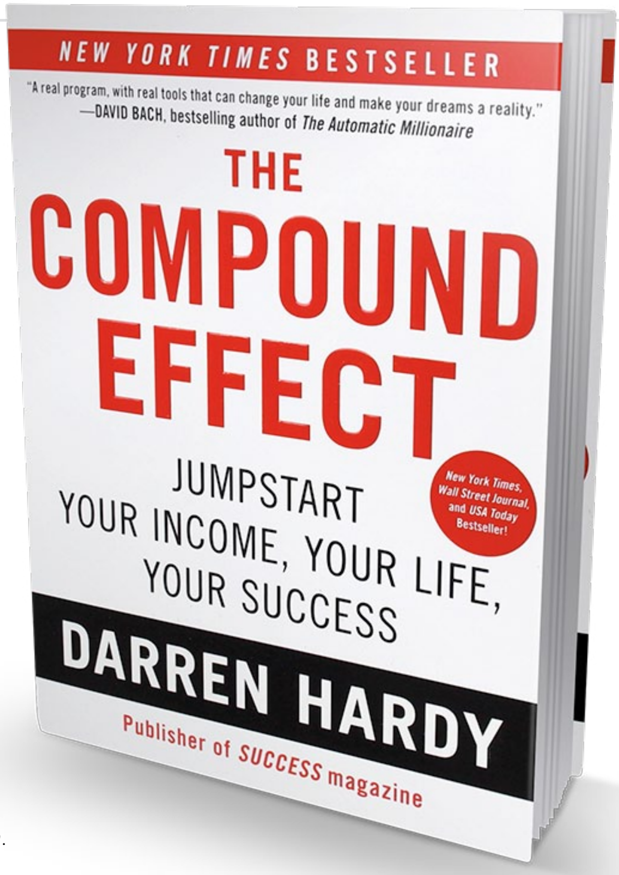
This book has many overlaps with The Slight Edge (Jeff Olson), with additional techniques to attain success through simple repeatable disciplines. All successful people would agree that there is no magic bullet, secret formula or quick fix to achievement. It's a case of developing a burning desire, making the right choices, instigating the right habits and then taking massive action.

Darren strongly suggests that the reader gets away from the gimmicks and unnecessary fluff and stick to the half-dozen or so fundamentals that matter. The information you need is already out there, but you need to create new behaviours and habits to form a ***compelling plan of action***.

In the opening chapter, Darren states that his success has come not by being the brightest or the best, but through his application of **CONSISTENT** habits. He sets the tone of the book by quoting something his dad taught him: ***"You need to make up in hard work what you lack in experience, skill, intelligence or innate ability"***. The problem we all face is that the payoff may be some way away, with little immediate evidence of results. This doesn't fit our society's need for "Instant Gratification", so people are not willing to make the small changes required over a sufficient period of time. The secret of hard work, discipline and good habits is not really a secret at all; these things are a continuum of mundane, unsexy, unexciting and often difficult daily disciplines.

Development of these personal characteristics starts off by making the right **CHOICES**. Each choice starts a behaviour, which over time becomes a habit that empowers and supports you. Making the right choices is the focus of the second chapter – the author is not talking about the whopper choices, but the frequent seemingly inconsequential ones that don't seem to matter in the moment.

The first step in making the right choices is to become more self-aware and be more conscious of your thoughts and actions. If you want transformational change, take 100% personal responsibility for all the choices you make. So what's the formula?



Prepare (get the right skills, resources), develop the right **Attitude** (belief/mindset), look for **Opportunities** and take **Action**. He advocates that to see amazing results, the reader needs to *"make the smallest course corrections over a period of time"*.

Step-by-step, day-by-day, your choices will shape your actions until they become habits. Aristotle wrote, *"We are what we repeatedly do"*. Every habit is learned and we are creatures of habit; with enough practice and repetition, behaviours become automatic over time. But how does one instil positive, winning habits? First up is getting away from the Instant Gratification Trap: it doesn't exist. There are long-term consequences to everything you do based on bad habits; it just doesn't seem to be the case 'in the moment'. Willpower isn't a strong enough driver to develop those positive habits and keep them there. What you need is **WHY** power, ie what is your Why? It needs to be something that is fantastically motivating to you. All the "Whats" and "Hows" will be meaningless until your "Whys" are powerful enough to get you through the gruelling, the mundane and the laborious that will inevitably present themselves throughout your success journey. Lurking large behind your powerful WHYs are your core values and motivations to ensure everything you do is congruent with those values.

The chapter on habits covers strategies on eliminating bad habits including: identifying the triggers, eg people you hang out with, certain causative situations or emotions and removing the things that perpetuate the bad habits. Depending on how you are wired, you might choose to ease in with the changes or jump in. This section is followed by techniques for installing good habits: setting yourself up to succeed (increasing your likelihood of executing the habit); holding yourself publically accountable. Darren concludes this chapter by reminding readers that *"Change is hard"* so be patient when trying to instil new habits.

Once you are on your way, it's important to keep the momentum (Big Mo) rather than a cycle of stop-start. Darren suggests that the best way to do this is through repetition and routine. Throughout the book, he mentions that the one thing that gives him a competitive advantage is his ability to be consistent.

Without doubt, powerful external forces influence your choices, behaviours and habits. You need to ensure that these forces support rather than derail you. In a nutshell, these influences are: **(i)** input (what you feed your mind); **(ii)** associations (the people you spend time with); and **(iii)** the environment (your surroundings). Each of these needs addressing so they empower your success. Some may be hard to change, eg spending less time with negative friends and family, whereas others such as listening to the negative news are much easier to shed.

WHO IS THIS BOOK FOR?

I have read this book many times so another read for this current review was long overdue. To kick-start 2018, it is a great *"Personal Growth"* book to read as you work towards your property goals. Throughout, Darren suggests what actions the reader can take to apply the lessons he has described. To help the reader, he presents plenty of analogies and examples. In addition, lots of the resources to undertake the exercises he describes are available at **www.TheCompoundEffect.com**. Finally, why not sign up for a daily dose of mentoring (as I do) via **www.darrenhardy.com**.

Raj Beri

www.rajberi.co.uk

Email: **raj@rajberi.co.uk**

Mobile: **07894 543931**

BOOK DETAILS Date published: **2012** ISBN-10: **159315724X**

IS THIS THE SMARTEST WAY TO INVEST?

This month, our resident Stock Expert, Marcus de Maria, discusses a short-cut to investing success.

Last month we discussed the four reasons why we have more chances of success than professional investors – the people that do it day in, day out for a living. Crazy, I know, but that is the way the system is set up; they just have too many regulations imposed on them by the FCA that we don't have.

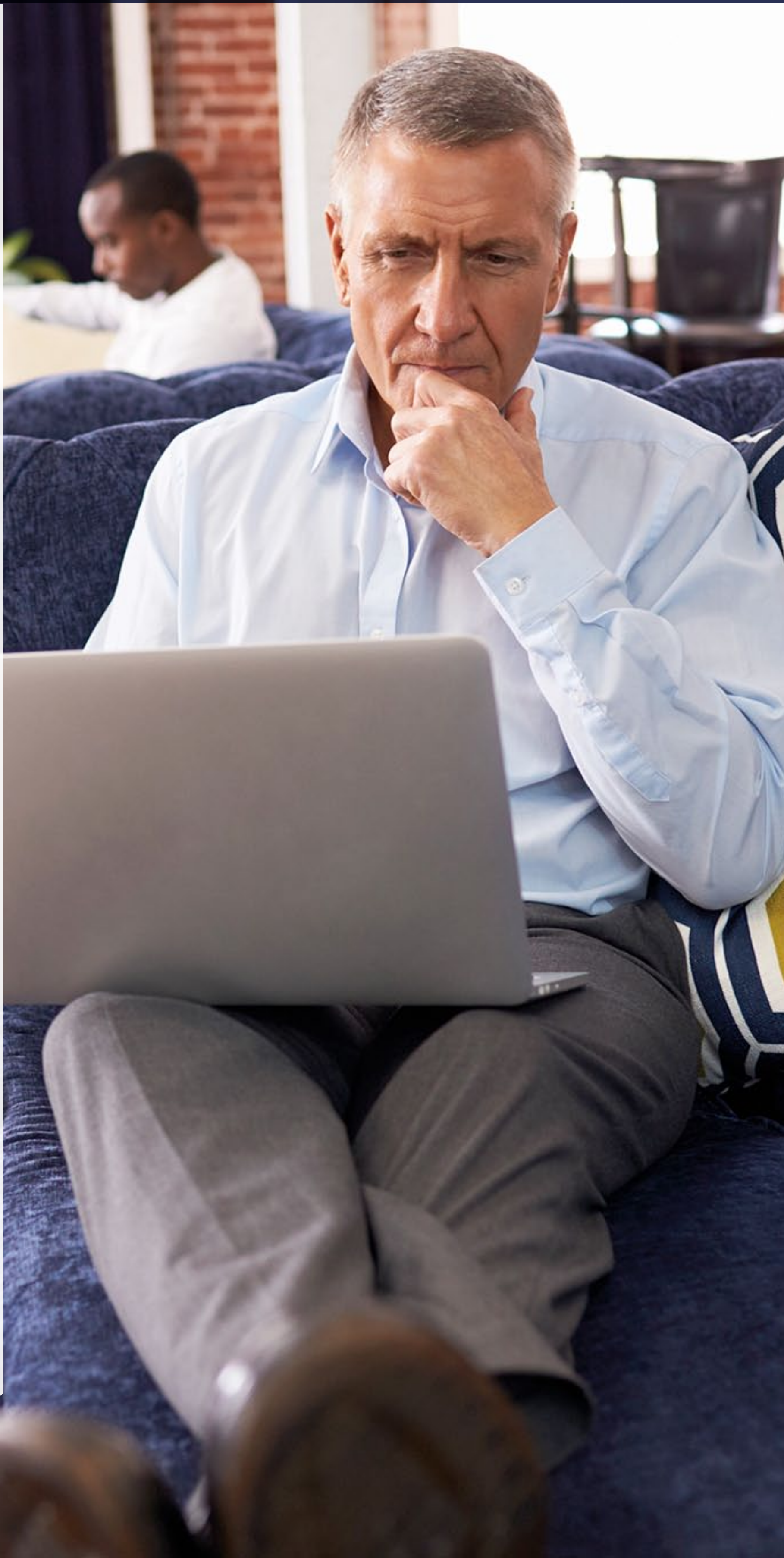
Every year we go to Thailand around Christmastime to a wonderful place called Phuket. On the plane, I was reading an interview with Mark Slater, co-founder, chairman and chief investment officer of Slater Investment, one of the UK's top fund managers. He has an impressive track record. Especially when you consider that he chooses stocks that are going up. In other words, he only makes money when markets are going up and attempts to make money on stocks going up when markets are going down or sideways. So this guy makes money when most fund managers are losing your money. Impressive!

He talks about PEG ratios, a spin on P/E ratios, and other ratios and metrics in order to find undervalued companies that have the most potential to grow their share price (we will be discussing these in next month's YPN, so keep your eyes peeled – I'll be showing you how to find great companies to invest in online). Target investments, he says, are typically ***"profitable, growing and cash-generative today"***. The article then continued to list the companies that Slater is looking to invest in.

As I was looking down this list of companies and the reasons why he is looking to invest in them, it suddenly dawned on me that we, the retail investor, are wasting our time trying to do the same, searching for these kinds of investments ourselves. It's already been done for us. What we need to do is to find out what people like Slater – with more intelligence, time and focus – are investing in. Then we simply wait for a fall in price (as you know, I like a -20% fall from a recent high) or an entry point using one of the strategies I have been writing about in YPN throughout 2017. Please note, if you have missed out on any of these strategies you can find them here: **www.investment-mastery.com/YPN.**

You can give all this a go yourself with zero risk by using one of the many virtual traders out there, and by using the strategies I am showing you in YPN. Start by looking at this free charting software: www.freestockcharts.com.

As the Nike slogan says, ***"Just Do It!"***



Have you ever wondered which stocks to get into? Scared of making a mistake? Welcome to the family – that is every investor's dilemma. With the following methodology you'll never have to worry any more. Why? Because we are not entering straightaway, we are looking to make 15-%25%+ per year by timing the market a little. So we don't need the BEST stocks in the world, we just need solid ones that won't fall.

1. Either do some fundamental analysis to find the best companies you can (more on that in next month's YPN) or subscribe to something like the Motley Fool, who have one of the best track records in finding winning investments.

   Please note that I am not advocating simply purchasing any tip service or whatever the newspapers have decided to print that day. I am talking about the best of the best publications with a proven track record. If this makes you feel uncomfortable, we will discuss how to find these companies ourselves in next month's YPN.

2. Using one of my strategies, time the market before you simply get in. Wait for a minimum of -20% drop from the recent high, so you ensure you are not getting in anywhere near the top. This is an important rule and requires that you have some patience before you get in. Most people don't have that level of patience, but if you can just wait, I promise you it will be worth it. It ensures you do not do what some people do – buy at the top.

3. Start building a position in these stocks (either monthly or quarterly) so that your average price is low enough and you have enough money invested. Personally I like to time these, so I am not blindly getting in every month, but only when there is some support or it is starting to move up.

   If you can, use the strategy we showed you a few months ago, using the 20 Moving Average. Wait for the stock to go above its own 20 Moving Average, then wait for the pullback and break-out before entering. Keep doing this every time it goes above its Moving Average in this way, and build up a nice position at the point where there is the most momentum.

4. Keep going, fight the emotions and trust in your strategy. When the upswing comes, you will be grateful you did.

Sound simple? The best strategies normally are. Once you start making money and you have the identity of someone who makes money in stocks, you can make things more complicated. But by then, maybe you won't want to anymore ... and you won't have to.

Sound complicated? That's only because it is new to you. The fact is that investing in stocks from home in just ten minutes a day is very simple.

How difficult can it be?

It's only ten minutes a day so it can't be rocket science.

Until next month

Marcus

CLIENT CASE STUDY

OTIS KLOEBER

up **40%** in six months

"As the conductor of the European Philharmonic Orchestra, I have to be a master of my art. I therefore assumed that to earn money, I needed to give my money to someone who has mastered this. So I trusted the professionals. It was quite a large sum, well diversified, and after one year, I started to lose money. After two years, it was down by 25%. Clearly I had to do something, so I decided that I could do better myself.

I had seen Marcus at some seminars and was impressed by him and the results that his graduates were achieving, but still a little sceptical because of my previous experience. However, the more I listened, the more it just made sense. So I put into practice what Marcus taught us and realised it really isn't that difficult.

I have now been trading for six months and I can show you my account. As you can see, I started with $25,000 and it is now $34,643, so that is $9,643 and 38.5% in six months – or just under 80% a year. Where else can you find gains like that in just ten minutes a day? And by the way, this includes all my mistakes as well at the beginning. (Remember that I was a total beginner.) For example, I once got in at the wrong time, and another time I forgot to get out. That is the great thing about the way that Marcus teaches – after the workshop you are very motivated but still he wants you to first make all your 'rookie' mistakes on a virtual trader, so there is no risk at all.

I go on the weekly calls, I can ask others questions on the forum, and each day that I decide to go on the portal, I can learn more. I am never left alone, and this keeps the motivation up.

In my full-time role as a conductor I don't have the time to be trading five-plus hours a day, so I spend either ten minutes in the morning on it or ten minutes in the evening. I risk only 1% – that is one of Marcus's golden rules – but I can have a 45% gain as well, which I have also had.

Thank you Marcus and Investment Mastery."

IT'S MASTERMIND SCHOLARSHIP TIME!

By **Simon Zutshi**

A once in a lifetime opportunity for you to join us on the 12-month Property Mastermind Programme at no cost to you!

Each year for the past five years, we have awarded one very lucky YPN reader a full scholarship on the Property Mastermind Programme. This life-changing opportunity is awarded to someone who would not normally be able to participate, and now the search for our 2018 Scholarship winner has begun.

This April will be the 11th anniversary of the Property Mastermind Programme, which has become the most successful 12-month property investment mentoring programme in the UK, based on the results achieved by our participants. You may want to have a look at the Successful Investors Case Studies DVD (attached to the front cover of the November 2017 edition of YPN), to see for yourself the latest incredible results that people just like you have achieved in less than 12 months whilst on Mastermind.

In this article I am going to detail what is involved in the Property Mastermind Programme, and share with you how the participants are able to achieve incredible results in such a short amount of time, to demonstrate that you too could achieve all you want to in property, once you have the correct specialist knowledge, mindset and supportive environment.

COULD YOU BE OUR NEXT SCHOLARSHIP WINNER?

If you are interested in winning this scholarship, let me tell you the kind of person I am looking for and what it takes for you to be successful on the Property Mastermind Programme. This will help you in your application should you wish to apply for the 2018 Scholarship.

The most important thing you need is to have an **open mind with a positive "Can Do" attitude**. We will teach you how to make money by solving people's property problems, finding the ethical win/win solution that works for everyone involved. When you are on Property Mastermind, you will start to think in a different way from the average investor. You will see and have the courage to seize opportunities that most investors would miss.

The second most important thing you need is to be **teachable and willing to follow the step-by-step instructions** and the blueprint we provide you with, which will help you to achieve your property goals. You need to "Trust the Process" and just do what we tell you, when we tell you. You need to be able to get out of your own way. As human beings we often like to complicate things, but the reality is that having run the Property Mastermind successfully for so many years, we know what works and what does not work. It's quite simple really. You just need to do what "Simon Says"! Not because I am always right, or have all the answers – far from it, as I am always learning myself, but it is interesting to hear that the top performers on the video case studies very often say they just did what they were told to do and kept going.

Next, you need to be **committed and focused**, prepared to do whatever it takes to achieve your goals. You will need to put in both time and effort, because the results won't happen on their own. The good news is that you don't have to do this all on your own. All the support and help you need will be readily available to you. Instead of just working hard, we will show you how to work smart and make the most of the resources available to you. Don't be afraid to ask for assistance when you need it because that's what we are here for.

And finally, you need to be **persistent**. This is very important. There are many challenges in property and what happens all too often is that most people give up far too easily. With an environment where other people around you are achieving the results you want, it means that you can do it as well. All you need to do is keep going. The support and accountability that you will receive from your own personal one-to-one success coach will certainly help, but ultimately you need the determination and a really strong reason why you are doing this to keep you motivated and on track.

HERE'S WHAT YOU DON'T NEED TO BE SUCCESSFUL ON THE PROPERTY MASTERMIND PROGRAMME!

Now that we have looked at some of the personal attributes you need to be successful, let's consider some of the things that you don't need, which may well surprise you:

You don't need to be full time in property

Some of our most successful delegates have had very busy jobs and so have not had much free time to apply the numerous strategies that we teach on Property Mastermind. This means that they have had to be very focused and make the most of the time they do have. Some of our top performers have been people with very busy lives, who have only had eight to ten hours per week to dedicate to their property investing. So we know eight to ten hours is the minimum time commitment if you want to achieve the kind of results that we know are possible.

You don't need to have £250k to buy £1m in property!

Some of the people who join the Property Mastermind have substantial amounts of money to invest. However, some have very little of their own resources, which is why they join the Programme to learn how to safely use other people's money. No matter how much money you have or don't have, at some point you will run out of your own funds, and so when you are on Property Mastermind, we show you how to work with other people and use their money for mutual benefit, whether that is through loans or joint venture investments. Some of our most successful graduates are people who had none of their own money, and in fact some had to borrow the money to fund their participation on the Programme in the first place. You will also learn how to use momentum investing, whereby you can rapidly build up a cash-generating portfolio of property by regularly recycling your deposit.

You don't need to be able to get mortgages!

One of the potential challenges that some investors face is the inability to get mortgages for a variety of reasons. Of course it is better if you can get mortgages in your own name, but this is not essential. Many of our delegates have favoured strategies such as Rent-to-Rent and Purchase Lease Options (all of which we teach), where you can build up significant cash flow from properties you don't own without the need for a mortgage or a large deposit.

You don't need to be an experienced investor

Whilst many of our delegates are already very successful investors who join us in order to step up to the next level, the majority of people who attend the Property Mastermind Programme don't have much property investing experience. They decide to join us to massively reduce the time and effort it would normally take to build a portfolio sufficient to replace their income. More important than experience is the right positive attitude, as mentioned above.

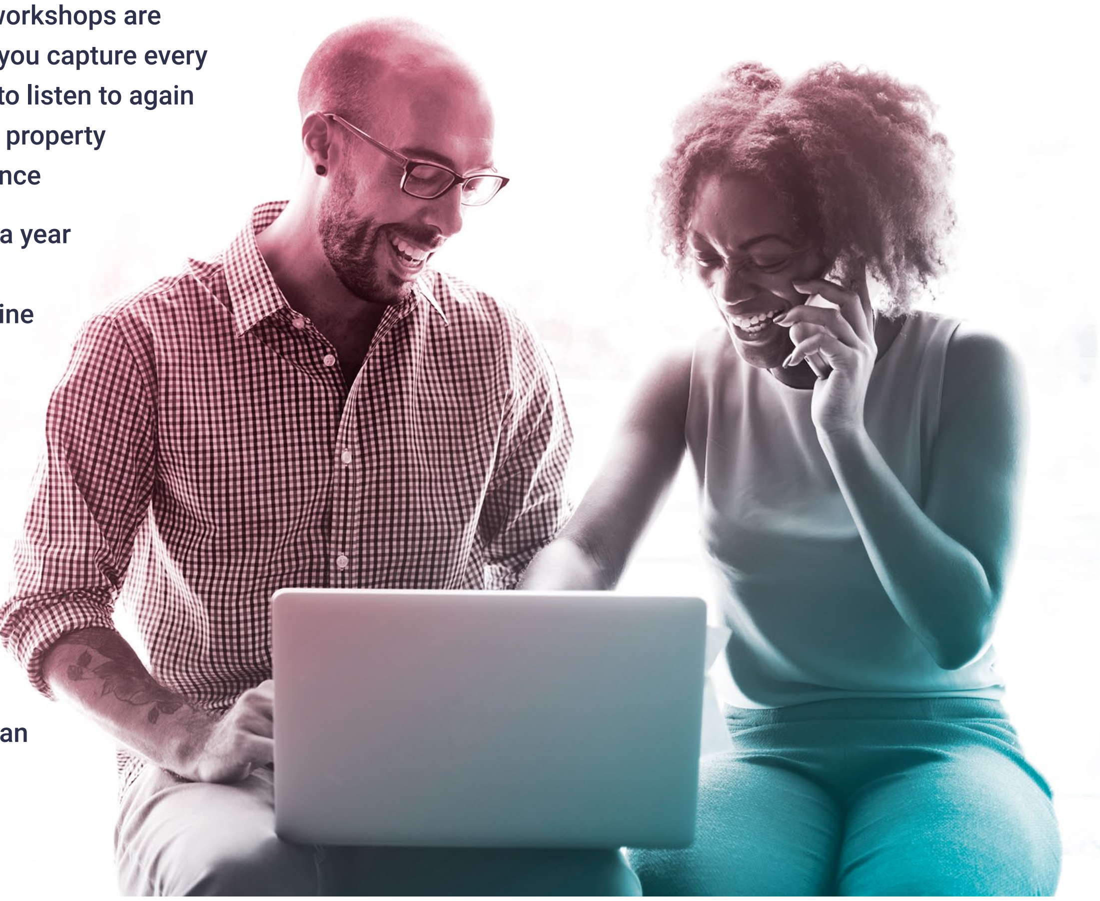
SO WHY ARE DELEGATES ON THE PROPERTY MASTERMIND PROGRAMME SO SUCCESSFUL?

It can be a very lonely journey investing in property on your own, especially if the people around you, such as your family and friends, don't understand property or what you are trying to achieve. For this reason, when I first launched the Property Mastermind Programme back in 2007, my goal was to provide the very best possible supportive environment over a 12-month period to help support people until they had enough momentum and results to be self-sufficient. I was very conscious that in order to maintain this high level of support, it was important to make sure that Property Mastermind was not dependent on just me, otherwise I would become too busy to help everyone as the Programme grew. So we have developed a culture where the support comes from everyone involved in the Programme. We have a unique, abundant environment where everyone is prepared to share knowledge and help each other in the best interests of the group. It is rather difficult to describe to people outside of what feels like a family, because there are not may other examples or comparisons we can make in today's society of this kind of community spirit.

WHAT DO YOU ACTUALLY GET WHEN ON THE PROPERTY MASTERMIND PROGRAMME?

There are now eight separate elements to the Property Mastermind Programme, as detailed below:

1. Before you attend you get "The Brain Transplant Pack" which is a box full of DVDs, audio CDs and books designed to bring everyone up to a certain level of knowledge before you start
2. 10 x one-day advanced workshops (one day each month) at the Crown Plaza Hotel by the Birmingham NEC, which is very easy for you to access from anywhere in the UK (and overseas)
3. All of these advanced workshops are audio recorded so that you capture every single valuable minute to listen to again and again, to build your property knowledge and confidence
4. 24/7 support 365 days a year through the Property Mastermind private online forum, which gives you access a priceless source of property investing information, with almost 120,000 posts and growing
5. Each month there is an exclusive webinar with me and the rest of your group where you can personally ask me any questions you have
6. Your own personal one-to-one success coach who you speak to twice each month, to support you, guide you, act as a sounding board and hold you to account
7. Two days of one-to-one mentoring in your area, where the mentor will come and stay in a local hotel and work with you for two days, holding your hand and helping you with anything you need
8. Annual membership to pin Academy which gives you access to all of the 50+ pin meetings across the UK, as well as some additional online resources and networking



HERE'S WHAT YOU NEED TO DO NOW!

Does the Property Mastermind Programme sound like something that you would like to do?

This is your opportunity to be in with a chance of winning the full scholarship to the April 2018 Property Mastermind Programme (MM25), or one of the ten runner up prizes of a place on my brand new three-day Strategy Implementation live workshop on 2nd to 4th March at Heathrow.

I am going to be hosting a webinar all about how you could win this life changing opportunity, this month. To secure your seat on this webinar register your details here now:

www.PinWebinar.co.uk/MMScholarship

Good luck and I look forward to you joining me on this live webinar this month.

Best wishes,

Simon Zutshi

- Founder, property investors network
- Author of "Property Magic"
- Founder of the Property Mastermind Programme

NETWORKING EVENTS *In YOUR Area*

ZONE 1

Blackfriars pin
4th Tuesday of the month
Crowne Plaza, 19 New Bridge Street, Blackfriars, London, EC4V 6DB
Host: Fraser MacDonald
www.blackfriarspin.co.uk

Canary Wharf pin NEW HOST
1st Thursday of the month
De Vere Conference Suite No. 1 Westferry Circus, London, E14 4HD
Host: Samuel Ikhinmwin
www.canarywharfpin.co.uk

Croydon pin
3rd Wednesday of the month
Jurys Inn Croydon Hotel, Wellesley Road, Croydon, CR0 9XY **Host:** Stuart Ross
www.croydonpin.co.uk

Kensington pin
2nd Wednesday of the month
The Rembrandt, 11 Thurloe Place, South Kensington, London, SW7 2RS
Host: Marion Watts
www.kensingtonpin.co.uk

Regent's Park pin
3rd Tuesday of the month
Holiday Inn London Regents Park, Carburton Street, London, W1W 5EE
Host: Mike Frisby
www.regentsparkpin.co.uk

Sutton pin
2nd Thursday of the month
Holiday Inn London Sutton, Gibson Road, Sutton, Surrey, SM1 2RF
Hosts: Johanna and Peter Lawrence
www.suttonpin.co.uk

Clapham pin NEW CO-HOST
1st Tuesday of the month
The Cinnamon, 55-57 The Pavement Clapham, London, SW4 0JQ
Hosts: Jahangir Khan and Luke Skelton
www.claphampin.co.uk

PPN London St. Pancras
3rd Wednesday of the month
The IBIS London Euston Station, St Pancras, 3 Cardington Street, London, NW1 2LW
Hosts: Jamie Madill & Steve Mitchell
progressivepropertynetwork.co.uk/stpancras

PPN London Waterloo
2nd Monday of the month
Park Plaza County Hall, 1 Addlington Street, London, SE1 7RY
Host: Sachin Mishra
progressivepropertynetwork.co.uk/london-waterloo

PPN Mayfair
Last Thursday of the month
TBC **Host:** David Seigler
progressivepropertynetwork.co.uk/mayfair

PPN London Knightsbridge
2nd Tuesday of the month
Venue:TBC **Host:** TBC
progressivepropertynetwork.co.uk/knightsbridge

PPN Canary Wharf
2nd Wednesday of the month
One Canada Square, Canary Wharf, London, E14 5AB
Hosts: Ozan and Oktay Redjep
progressivepropertynetwork.co.uk/canary-wharf

Premier Property Club - Islington
2nd Wednesday of the Month
Hilton Hotel Islington, 53 Upper St, London N1 0UY **Founder:** Kam Dovedi
PremierPropertyClub.co.uk/ppc-islington

Premier Property Club - Knightsbridge
3rd Wednesday of the Month
Park Tower, 101 Knightsbridge, London, SW1X 7RN **Host:** Kam Dovedi
www.PremierPropertyClub.co.uk

Premier Property Club - Canary Wharf
4th Tuesday of the Month
Hilton Hotel, Marsh Wall, London, E14 9SH **Host:** Kam Dovedi
www.PremierPropertyClub.co.uk

Premier Property Club - Croydon
1st Tuesday of Each Month
Doors open: 6:30pm for a 7pm Start Jurys Inn Croydon, Wellesley Road, London CR0 9XY

East London Property Network
1st Tuesday of the Month 875 High Road Leytonstone, London, Leytonstone E11 1HR **Host:** Vaseem Gill
www.eastlondonpropertynetworking.com

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

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

Property Leverage Network - London
1st Monday of the month Pavillion End, 23 Watling Street, London,EC4M 9BR
Host: Karun Chaudhary (07542210168)

EPN - London (Earth Property Network) 2nd Tuesday of the Month
1 Fore Street, London, EC2Y 5EJ
Host: David J. Tillyer
http://bit.ly/EPN-London

PMA Heathrow
1st Monday of every month
Hotel Mercure Heathrow, Shepiston Lane, Hayes **Host:** Justyna Wojech
www.pmanetwork.co.uk/events

PMA Croydon
1st Wednesday of every month
Croydon Park Hotel, 7 Altyre Road, Croydon **Host:** Jason Hayles
www.pmanetwork.co.uk/events

Kensington & Chelsea Property Network 1st Thursday of the Month
The Trafalgar in Chelsea, 200 Kings Road, London, SW3 5XP
Host: Nicola Ancona
www.meetup.com/KensingtonChelseaPropertyNetwork

Central London Evening Meet
4th Wednesday of the month
14-15 Marshall Street, Soho, London W1F 7EL **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

Property Coffee Morning
Free Networking For 150 Property Investors. 9:30 to 11:30am, Grand Ballroom, Landmark Hotel, London NW1.
See website for more details
www.PropertyCoffeeMorning.com

London HMO Property Group
Host: Alan Wood
For information on the next event visit
www.hmopropertygroup.co.uk

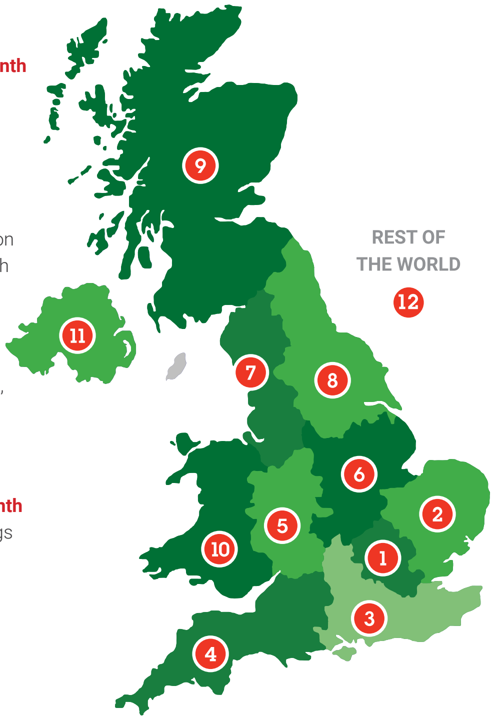
JV Hub Property Meet
4th Wednesday of every Month
Wework Building, 1 Fore Street London EC2Y 5EJ, 6.30 - 9.30
Host: Theo Bailey **www.jvhub.co.uk**

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 Talk (BMV Meet)
1st Monday of the month
Hilton London Docklands, 265 Rotherhithe Street, London, SE16 5HW
Host: Owais Naveed
http://ukpropertymeet.co.uk

We Buy Houses - London
Last Wednesday of the month
New hosts: Adam Hinds and Angela Lewis-Wright. Register at **http://webuyhouses.co.uk/rick-otton-meetups**



The Property Vault
2nd Tuesday of every month
Eastgate, 141 Springhead Parkway, Northfleet, Gravesend, DA11 8AD
Hosts: Dan Hulbert & Steve Smith
www.thepropertyvaultuk.com

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/londonproperty-breakfast

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

Premier Property Meet
2nd Thursday of every month from 6.30pm The King's Head Pub, 1 The Green, Winchmore Hill, London, N21 1BB **Hosts:** Deborah Tyfield and Dr Marttand Patel Tickets: £20 online, £25 on the door. Tickets includes canapés
www.premierpropertymeet.co.uk

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

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**

LovetheMojo
1st Wednesday of the month
Wework Aldwych House, London
https://www.meetup.com/LOVE-THE-MOJO/events/243553700/

The Kensington & Chelsea Property Group
2nd Thursday of the Month
K + K George Hotel, 1-15 Templeton Place, Earl's Court, London, SW5 9NB
https://www.eventbrite.co.uk/e/the-kensington-chelsea-property-group-property-modular-homes-tickets-36363170221
Host: Neil Mangan

THE PROPERTY HUB
1st Thursday of the Month **http://thepropertyhub.net/meetups**

London Waterloo All Bar One, SE1 7PY **Host:** Matt Newman

London King's Cross
The Somers Town Coffee House, NW1 1HS **Host:** Gavin Lloyd

Richmond Upon Thames
The Cricketers, TW9 1LX **Host:** Roxane Brazeau

Epsom The Albion, KT19 8BT **Hosts:** Justin Richards and Andy Garnett

ZONE 2

Cambridge pin **4th Thursday of the month**
Holiday Inn Cambridge Lakeview, Bridge Road, Impington,Cambridge, CB24 9PH
Host: Christine Hertoghe
www.cambridgepin.co.uk

Essex pin **3rd Tuesday of the month**
Orsett Hall Hotel, Price Charles Avenue, Orsett, Essex, RM16 3HS
Host: Reegan Parmenter
www.essexpin.co.uk

Norwich pin **2nd Tuesday of the month**
Holiday Inn, Ipswich Road, Norwich, Norfolk, NR4 6EP **Host:** Lisa Hudson
www.norwichpin.co.uk

PPN Ipswich
2nd Monday of the month
Holiday Inn Ipswich, London Road, Ipswich IP2 0UA **Host:** Halstead Ottley
progressivepropertynetwork.co.uk/ipswich

PPN Peterborough
3rd Monday of the month
Holiday Inn Thorpe Wood, Peterborough
Hosts: The PPN Team
progressivepropertynetwork.co.uk/peterborough

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**

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups

Colchester The Church Street Tavern, CO1 1NF. **Host:** Diana Bond-Smith

South Essex The Paul Pry, Rayleigh, SS6 7AA **Hosts:** Joanne Dron and Larry Solomons

ZONE 3

Eastbourne pin
1st Wednesday of the month
Royal Eastbourne Golf Club, Paradise Drive, Eastbourne, East Sussex, BN20 8BP **Host:** Lee Beecham
www.eastbournepin.co.uk

Woking pin
3rd Thursday of the month
The Talbot, High Street, Ripley, Surrey, GU23 6BB **Host:** Lisa Oliver
www.wokingpin.co.uk

Oxford pin **1st Thursday of the month** Jurys Inn, Godstow Rd, Oxford, OX2 8AL **Host:** Gillie Barlow & Jacquie Edwards
www.oxfordpin.co.uk

Reading pin
1st Tuesday of the month
Holiday Inn Reading South M4, Jct. 11, 500 Basingstoke Road, Reading, RG2 0SL **Hosts:** Peter Licourinos
www.readingpin.co.uk

Berkshire pin
3rd Monday of the month
Holiday Inn Maidenhead, Manor Lane, Maidenhead, SL6 2RA
Hosts: Mike Holt
www.berkshirepin.co.uk

Southampton pin
1st Tuesday of the month
Chilworth Manor Hotel, Southampton, Hampshire, SO16 7PT **Hosts:** Wayne Freebody and Nigel Bugden
www.southamptonpin.co.uk

Brighton pin
3rd Thursday of the month
The Courtlands Hotel, 19-27 The Drive, Hove, East Sussex, BN3 3JE
Host: Peter Fannon
www.brightonpin.co.uk

Basingstoke pin
4th Wednesday of the month
The Hampshire Court Hotel, Centre Drive, Great Binfield Road, Chineham, Basingstoke, RG24 8FY
Hosts: Seb and Aga Krupowicz
www.basingstokepin.co.uk

Kent pin
1st Thursday of the month
Mercure Maidstone Great Danes Hotel, Ashford Road, Hollingbourne, Maidstone, ME17 1RE **Hosts:** Martin and Sarah Rapley **www.kentpin.co.uk**

PPN Brooklands
3rd Thursday of the month
Mercedes - Benz World, Brooklands Dr, Weybridge, KT130SL
Host: Mark Stokes
progressivepropertynetwork.co.uk/brooklands

PPN Oxford
2nd Wednesday of the month
Jurys Inn Hotel, Godstow Road, Wolvercote, OX2 8AL
Host: Jenny Fenton
progressivepropertynetwork.co.uk/oxford

PPN Portsmouth
3rd Monday of the month
The Langstone Hotel, Northney Road, Hayling Island, Portsmouth, PO11 0NQ **Host:** Angie Lacoste
progressivepropertynetwork.co.uk/portsmouth

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

PMA Bracknell
4th Tuesday of the month
Hilton Hotel, Bagshot Road, Bracknell
Host: Phil Hope
www.pmanetwork.co.uk/events

PMA Farnborough
3rd Tuesday of the month
The Village Hotel, Farnborough
Host: Matt Hook
www.pmanetwork.co.uk/events

Surrey Property Exchange
2nd Wednesday 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

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

PMA Kent
2nd Wednesday of every month
Bridgwood Manor Hotel, Walderslade Woods, Chatham **Hosts:** Estelle Barnes and Dimpy Pathak
www.pmanetwork.co.uk/events

Kent Property Meet
4th Wednesday of the month
Brands Hatch Place Spa, Brands Hatch Road, Fawkham, Kent DA3 8NQ **Hosts:** Chrissy Kusytsch & Jazz Dokhu

Hampshire Property Network (HPN)
2nd Wednesday of the Month
The Navigators Inn, Lower Swanwick. Hampshire. SO31 7EB, 7:15
Hosts: Mark Smith & Allan Wadsworth
www.hampshirepropertynetwork.co.uk

We Buy Houses - Southampton
3rd Wednesday of the month
Host: Stephen Davies and Giselle Robinson. Register at **http://webuyhouses.co.uk/rick-otton-meetups**

Crawley Property Meet
3rd Tuesday of every month
crawleypropertymeet.com
Europa Hotel, Balcombe Road, Crawley, RH10 7ZR **Hosts:** Tania Carson, Pam Mackenzie, Nick Parkhouse and Phil Williams.

The Bucks Property Meet
Last Thursday of the Month
The Bull, Gerrards Cross,
Hosts: John Cox and Rachael Troughton
www.Buckspropertymeet.com

Southampton Property Hub Meet Up
1st Thursday of every month
The Maritimo Lounge 1 Moresby Tower Admirals Quay, Ocean Way, Southampton SO14 3LG
Host: Sarah Smith
https://www.facebook.com/propertyhubsouthampton/?fref=ts

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups

Farnham The Botanist, GU9 7ND.
Hosts: Andre and Elise Brink

Reading Grosvenor Casino, RG2 0SN **Host:** Adam Vickers

Brighton & Hove The Poet's Corner BN3 5BF **Host:** Phil Leppard

ZONE 4

NEW HOSTS
NEW VENUE

Bournemouth pin
2nd Tuesday of the month
Sandbanks Hotel, 15 Banks Road, Poole, BH13 7PS
Hosts: Lex Mckee and Mark Waterhouse
www.bournemouthpin.co.uk

Cheltenham pin
3rd Tuesday of the month
The Best Western Cheltenham Regency Hotel, Old Gloucester Road, Near Staverton, Gloucestershire, GL51 0ST **Host:** Lee Pemberton
www.cheltenhampin.co.uk

Exeter pin
4th Thursday of the month
Buckerell Lodge Hotel, Topsham Road, Exeter, EX2 4SQ **Host:** Philip Bailey
www.exeterpin.co.uk

Bristol pin
2nd Wednesday of the Month
Holiday Inn Bristol Filton, Filton Road, Bristol, Avon, BS16 1QX
Host: Nick Josling **www.bristolpin.co.uk**

Plymouth pin
2nd Tuesday of the month
Elfordleigh Hotel, Colebrook, Plympton, Plymouth, Devon PL7 5EB
Host: Kevin & Sally Cope
www.plymouthpin.co.uk

Salisbury pin
3rd Wednesday of the month
The Rose and Crown Hotel, Harnham, Road, Salisbury, Wiltshire, SP2 8JQ
Hosts: James and Malcolm White
www.salisburypin.co.uk

PPN Bournemouth
3rd Tuesday of the month
The Ocean Beach Hotel & Spa (Formerly known as Cliffeside Hotel) East Overcliffe Drive Bournemouth BH1 3AQ. **Host:** Leigh Ashbee
progressivepropertynetwork.co.uk/bournemouth

PPN Swindon
2nd Tuesday of the month
Holiday Inn Swindon, Marlborough Road, Swindon, SN3 6AQ **Hosts:** Nick Chawala, Allan Harding and Aritri Mukherjee
progressivepropertynetwork.co.uk/swindon

PPN Southampton
4th Tuesday of the month
The Ageas Bowl, Botley Road, West End, Southampton, SO30 3XH
Hosts: Samantha Brown
progressivepropertynetwork.co.uk/southampton

PEN Exeter 3rd Tuesday of the Month
Gipsy Hill Hotel, Gipsy Hill Lane, Exeter, EX1 3RN **Host:** David Harwood
www.pen-exeter.com

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 Victoria Inn, Roche, PL26 8LQ
Hosts: Angelos Sanders & Matt Pooley
www.pig.network

The Bath Property Meet
1st Tuesday of the month
Bailbrook House Hotel, Eveleigh Avenue, London Road, Bath, Somerset BA1 7JD **Host:** Joe Harling
www.bathpropertymeet.co.uk

Professional Investment Group (PIG) - Exeter 2nd Tuesday of the month
Buckerell Lodge Hotel, Topsham Road EX2 4SQ Exeter **Hosts:** Angelos Sanders
www.pig.network

We Buy Houses - Southampton
3rd Wednesday of the month
Host: Stephen Davies and Giselle Robinson. Register at
http://webuyhouses.co.uk/rick-otton-meetups

THE PROPERTY HUB

1st Thursday of the Month
http://thepropertyhub.net/meetups

Southampton The Social, SO15 2EH
Host: Sarah Smith

Bournemouth Ludo Lounge, BH6 3RS.
Host: Nic Scudamore

Swindon The Clifton, SN1 3PY.
Host: Yann Guillery and Shirley Hensher

Exeter The Ley Arms, Kenn, EX6 7UN.
Host: Tony van Bergen

Cheltenham The Swan, GL50 1DX.
Host: Joanna Surowiec

Bristol Channings Hotel and Bar, BS8 3BB. **Host:** Jon Hulatt

ZONE 5

Birmingham Central pin
1st Thursday of the month
Park Regis Birmingham (Garrard & Blumfield Suite/ 15th Floor), 160 Broad Street, Birmingham, B15 1DT
Host Saj Hussain
www.birminghamcentralpin.co.uk

Birmingham pin
3rd Thursday of the month
Crowne Plaza NEC, Pendigo Way, National Exhibition Centre, Birmingham, B40 1PS
Host: Simon Zutshi
www.birminghampin.co.uk

Black Country pin
4th Wednesday of the month
Village Hotel Dudley, Castlegate Drive, Dudley, West Midlands, DY1 4TB
Host: Phillip Hunnable
www.blackcountrypin.co.uk

Coventry pin
2nd Tuesday of the month
Village Coventry, Dolomite Avenue, Coventry Business Park, Coventry, CV4 9GZ **Host:** Sebastien Buhour
www.coventrypin.co.uk

Worcester pin
1st Wednesday of the month
The Pear Tree Inn & Country Hotel, Smite, Worcester, WR3 8SY
Hosts: Andy & Karen Haynes
www.worcesterpin.co.uk

NEW HOST
NEW VENUE

Stoke-on-Trent pin
2nd Thursday of the month
Holiday Inn Stoke on Trent M6, Jct. 15. Clayton Road, Staffordshire, Newcastle Under Lyme, ST5 4DL
Host: Steve Barker **www.stokepin.co.uk**

PPN Birmingham
2nd Wednesday of the month
The Chairmans Lounge, Edgbaston Cricket Ground, Edgbaston Stadium, Edgbaston Road, Birmingham, B5 7QU
Host: Kirsty Darkins
progressivepropertynetwork.co.uk/birmingham

PPN Wolverhampton
2nd Tuesday of the month
Beefeater Wolverhampton Business Park, Greenfield Lane, Wolverhampton, WV10 6TA **Hosts:** Tim and Sue Gray
progressivepropertynetwork.co.uk/wolverhampton

Premier Property Club (PPC) Birmingham 1st Wednesday of the month Hotel la Tour, Albert St, Birmingham, B5 5JE **Host:** Kam Dovedi
www.PremierPropertyClub.co.uk

Inspire Property Network
1st Tuesday of the Month
The Oak Hotel, 8640 Stratford Road, Hockley Heath, Warwickshire, B94 5NW **Hosts:** Mark Bruckshaw & Helen Partridge
inspirepropertynetwork.com

We Buy Houses - Birmingham
2nd Wednesday of the month
New host: Phil Wheeler
Register at **http://webuyhouses.co.uk/rick-otton-meetups**

Great Property Meet Warwickshire
Dunchurch Park Hotel & Conference Centre Rugby Road, Dunchurch, Warwickshire, CV22 6QW
Hosts: Andrew Roberts and Peter Lazell
3rd Monday of the month
www.GreatPropertyMeet.co.uk

THE PROPERTY HUB

1st Thursday of the Month
http://thepropertyhub.net/meetups

Leamington Spa The Fat Pug, CV32 5BZ. **Host:** Carol Duckfield

Birmingham M Club (previously Mechu), B3 1JJ. **Host:** Kevin Cooper

ZONE 6

Luton pin
4th Tuesday of the month
Hampton by Hilton, 42-50 Kimpton Rd, Luton, LU2 0SX **Host:** James Rothnie
www.lutonpin.co.uk

Milton Keynes pin NEW HOST
3rd Tuesday of the month
Holiday Inn London Road, Newport Pagnell, MK16 0JA
Host: John Kerr
www.miltonkeynespin.co.uk

Leicester pin
1st Thursday of the month
The Fieldhead Hotel, Markfield Lane,Markfield, LE67 9PS
Host: Jo and Gary Henly
www.leicesterpin.com

Nottingham pin
3rd Tuesday of the month
Park Inn by Radisson Nottingham 296 Mansfield Road, Nottingham, NG5 2BT **Host:** Spike Reddington
www.nottinghampin.co.uk

Watford pin
2nd Thursday of the month
The Mecure, A41 Watford Bypass, Watford, Hertfordshire WD25 8JH
Host: Samuel Ikhinmwin
www.watfordpin.co.uk

Northampton pin
1st Thursday of the month
Hotel Campanile, Junction 15 M1, Loake Close, Grange Park, Northampton NN4 5EZ
Host: Amelia Carter
www.northamptonpin.co.uk

PPN Nottingham
1st Thursday of the month
Holiday Inn, Castle Bridge Road, Castle Marina, Nottingham, NG7 1GX
Host: Andy Watts
progressivepropertynetwork.co.uk/nottingham

PPN Derby
2nd Tuesday of the month
Nelsons Solicitors, Sterne House, Lodge Lane, Derby, DE1 3WD
Hosts: Mike Alder & Jamie Hayter
progressivepropertynetwork.co.uk/derby

PPN Northampton
3rd Tuesday of the month
Hilton Hotel, 100 Watering Lane, Collingtree, Northampton, NN4 0XW
Hosts: Andi Cooke & Lloyd Girardi
progressivepropertynetwork.co.uk/northampton

PPN Leicester
2nd Monday of the month
Marriott Hotel, Smith Way, Grove Park LE19 1 SW. - Junction 21 on M1
Host: Kal Kandola
progressivepropertynetwork.co.uk/leicester

Bucks Property Meet
Last Thursday of the Month
The Bull, Oxford Rd, Gerrards Cross, Buckinghamshire, SL9 7PA
Hosts: Rachael Troughton & John Cox
www.buckspropertymeet.com

Milton Keynes Property Meet
2nd Monday of the Month
National Badminton Centre, Bradwell Road, Loughton Lodge, Milton Keynes, MK8 9LA **Host:** Sharad Patil
www.mk-propertymeet.com

UK Property Network Leicester
2nd Tuesday of the Month
The Field Head Hotel, Markfield La, Markfield, Leicestershire, LE67 9PS
Host: Tracey Hutchinson
www.meetup.com/UKPN-Leicester

Northampton Property Meet
1st Thursday of the Month
Hotel Campanile Northampton, Junction 15 – M1, Loake Close, Grange Park, Northampton, NN4 5EZ
Host: Gary Bees
www.northamptonpropertymeet.co.uk

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

EPN Nottingham
4th Thursday of the month
Crowne Plaza Hotel, Wollaton Street, NG1 5RH, Nottingham
Host: Matt Tongue
http://bit.ly/EPN-Nottingham

St. Albans Property Meet
3rd Wednesday of the month
54-56 Victoria St, St Albans, Herts, AL1 3HZ
Host: Ranjan Bhattacharya
www.stalbanspropertymeet.com

Harlow Property Network
3rd Wednesday of the Month
Day Barn Harlow Study Centre Netteswellbury Farm
Host: Ajay Pamneja
www.myproperty.coach

The Property Connect
First Weds or Thurs of every month (alternate) 1900-2100
The Sharnbrook Hotel, Park Lane, Sharnbrook, MK44 1LX
Hosts: Peter Hogan, Tiruven Pillay
https://www.facebook.com/thepropertyconnect/

THE PROPERTY HUB

1st Thursday of the Month
http://thepropertyhub.net/meetups

Derby The Tap, DE1 2ED.
Host: Ryan Slater

Nottingham The Lion at Basford, NG7 7FQ. **Host:** Jonathan Challis

Leicester Heathley Park - Fayre & Square, LE3 9QE. **Host:** Mark Barnes

St Albans The Beech House, AL1 3EG.
Host: Chris Ryder

Milton Keynes Ye Olde Swan, MK6 3BS. **Host:** Jason Smith

ZONE 7

Liverpool pin
4th Thursday of the month
The Liner Hotel, Lord Nelson Street, Liverpool, L3 5QB **Host:** Billy Turriff
www.liverpoolpin.co.uk

Manchester pin
3rd Wednesday of the month
NEW VENUE - Best Western Cresta Hotel, Church St, Altrincham, WA14 4DP **Host**: Julie Whitmore
www.manchesterpin.co.uk

Chester pin
2nd Thursday of the month
Mercure Chester (formerly known as Ramada), Whitchurch Road, Christleton, Chester, CH3 5QL
Host: Hannah Fargher
www.chesterpin.co.uk

Manchester PNC
Last Monday of the Month
The Brindley Room Dukes 92 18-20 Castle Street, Manchester, M3 4LZ
Hosts: Richard Sheperd & Yulan Yang
www.manchesterpnc.com

Cheshire Property Meet
Last Thursday of each month
Bosley Farm, Bosley Crossroads, Bosley, Macclesfield SK11 0PS
Hosts: Lionel Palatine and David Deasy
www.cheshirepropertymeet.com

PPN South Manchester
Last Thursday of the month
Best Western Plus, Pinewood on Wilmslow, Wilmslow Road, Cheshire SK9 3LF **Host:** Mike Chadwick
progressivepropertynetwork.co.uk/wilmslow

PPN Blackpool
4th Monday of the month
Blackpool Football Club, Bloomfield Rd, Seasiders Way, Blackpool FY1 6JJ
Host: Chris Worden
progressivepropertynetwork.co.uk/blackpool

PMA Manchester
4th Wednesday of the month
A J Bell Stadium, Stadium Way, Eccles
Hosts: Ben Clarke and Tom Arden
www.pmanetwork.co.uk/events

TPM Meeting Warrington
4th Monday of every month
Daresbury Park Hotel, Daresbury Park Daresbury, Warrington, WA4 4BB
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

Lifestyle Property Network
3rd Monday of the month
Village Hotel, Cheadle Road, Cheadle, South Manchester, SK8 1HW

ASANA Wigan & Bolton 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

We Buy Houses - Manchester
3rd Thursday of the month
New host: Bruce Lamb
Register at **http://webuyhouses.co.uk/rick-otton-meetups**

Property Leverage Network Manchester 1st Tuesday of every month Castlefield Hotel, Liverpool Road, M3 4JR **Host:** Nicola White
http://propertyleverage.co.uk/manchester

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
Castlefield Hotel, Liverpool Road, M3 4JR **Host:** Nicola White
propertyleverage.co.uk/manchester

Property Investors Meetup Cumbria
1st Wednesday of the Month
6.30pm at Edenhall Hotel, Penrith, Cumbria CA11 8SX
Host: Darren Williams
www.elitepropertysolutions.co.uk
FREE TO ATTEND

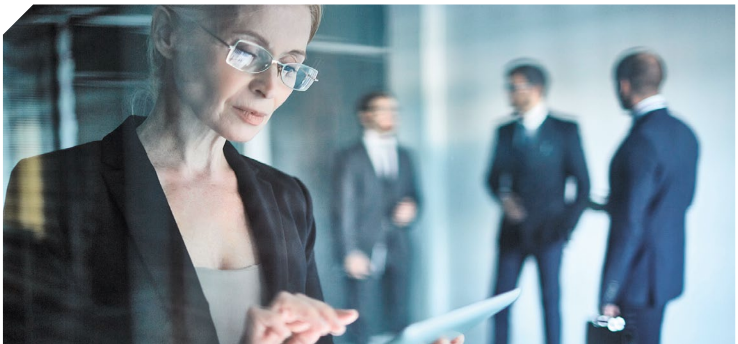
THE PROPERTY HUB

1st Thursday of the Month
http://thepropertyhub.net/meetups

Liverpool The Pumphouse, L3 4AF
Host: Silvio Orlando

Manchester The Kaz Bar at Tiger Tiger, M4 2BS **Host:** Mark Morris

Chorley The Lock and Quay, PR6 9AE.
Host: André Simm



ZONE 8

Hull pin
2nd Thursday of the month
Mercure Hull Royal Hotel, 170 Ferensway, Hull, East Yorkshire, HU1 3UF
Hosts: Nicola and Rob McPhun
www.hullpin.co.uk

Leeds pin
4th Wednesday of the month
Crowne Plaza Hotel, Wellington Street, Leeds, LS1 4DL
Hosts: Jay and Nana Sharma
www.leedspin.co.uk

Newcastle pin NEW VENUE
4th Thursday of the month
Lumley Castle, Ropery Lane, Chester le Street, County Durham, DH3 4NX
Host: John Woolley & Deon Kotzé
www.newcastlepin.co.uk

Harrogate pin
1st Wednesday of the month
Cedar Court Hotel, Park Parade, off Knaresborough Road, Harrogate, HG1 5AH **Hosts:** David and Jenny Fisher **www.harrogatepin.co.uk**

York pin
3rd Wednesday of the month
Hilton York, 1 Tower St, York, YO1 9WD
Hosts: Michael Chamberlain & Sam Chamberlain
www.yorkpin.co.uk

Sheffield pin
2nd Wednesday of the month
Mercure Sheffield Parkway Hotel (previously known as Aston Hotel) Britannia Way, Sheffield, South Yorkshire S9 1XU **Host:** Naomi Watkins
www.sheffieldpin.co.uk

PPN Sheffield
4th Wednesday of the month
Mercure Hotel, Britannia Way, Catcliffe, Rotherham, Yorkshire S60 5BD (formerly the Aston Hotel)
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds
2nd Tuesday of the month
Novotel Hotel, 4 Whitehall Quay, Leeds, LS1 4HR **Host:** Mo Jogess
progressivepropertynetwork.co.uk/leeds

PPN York
3rd Monday of the month
Hilton Hotel, 1 Tower St, York, YO1 9WD
Host: Laura Patterson
progressivepropertynetwork.co.uk/york

EPN Sheffield
1st Thursday of the month
Table Arena Square Table Table, 3 Arena Court, Sheffield S9 2LF
Host: Darrell Grayson
http://bit.ly/EPN-Sheffield

Property Leverage - Wakefield
1st Wednesday of the month
Kirklands Hotel, Leeds Road, Wakefield, WF1 2LU **Host:** Dominic Woodward (07794223136)

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 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

Sheffield Ink & Water, S1 4JB
Hosts: Rhys Jackson and Alice Lacey

Newcastle-Upon-Tyne The Town Wall, NE1 5HX **Host:** Al Robinson

Leeds The Crowd of Favours, LS2 7EA
Host: Andy Norman

Doncaster Regent Hotel, DN1 2DS.
Host: Helen Elworthy

ZONE 9

Edinburgh pin
3rd Thursday of the month
Capital Hotel, 187 Clermiston Rd, Edinburgh EH12 6UG **Host:** John Kerr
www.edinburghpin.co.uk

PPN Glasgow
Last Monday of the month
The Corinthian Club, 191 Ingram St, Glasgow G1 1DA
Host: Philip Howard & Aaron Percival
progressivepropertynetwork.co.uk/glasgow

PPN Edinburgh
2nd Tuesday of the month
Waldorf Astoria Edinburgh
Hosts: Robin Silander and Chris Dornan
progressivepropertynetwork.co.uk/edinburgh

PMA Glasgow
3rd Wednesday of the month
Hotel Novotel Glasgow Centre, 181 Pitt Street, Glasgow **Host** Victor Rhynas
www.pmanetwork.co.uk

Property Leverage Network - Glasgow
4th Tuesday of every month
Glasgow Pond Hotel, Great Western Rd, G12 0XP Glasgow, United Kingdom
www.propertyleverage.co.uk

PMA Edinburgh
2nd Wednesday of every month
Novotel Edinburgh Centre, 80 Lauriston Place, Edinburgh
Host: Lokkie Cheung
www.pmanetwork.co.uk

Discovery Hub Networking event
3rd Tuesday of the month
Jury's Inn, Union Square, Guild Street Aberdeen, AB11 5RG
Hosts: Eduardo Prato and Lukas Princ
www.vectorpro.co.uk/network

THE PROPERTY HUB

1st Thursday of the Month
http://thepropertyhub.net/meetups

Glasgow Dram!, G3 6ND. **Hosts:** Tony Ng, Nelson Wan, Luis Guarin

Edinburgh The Grosvenor Casino, EH12 8NE **Hosts:** Bill McWilliam and Caryn Simpson

Aberdeen The Village Hotel, Kingswells, AB15 8PJ. **Hosts:** Scott Wilson and Dale Williamson

ZONE 10

Cardiff pin 2nd Tuesday of the Month
Mercure Cardiff Holland House Hotel & Spa, 24-26 Newport Rd, Caerdydd, Cardiff, CF24 0DD **Host:** Morgan Stewart **www.cardiffpin.co.uk**

Swansea pin 4th Thursday of the Month
Village Hotel, Langdon Road (Off Fabian Way), SA1 Waterfront, Swasea, SA1 8QY **Host:** Bernadette & Ian Lloyd
www.swanseapin.co.uk

The Property Hub - Cardiff
1st Thursday of the Month
Holiday Inn Cardiff North, CF15 7LH
Hosts: Carl Matthews and Luise L
http://thepropertyhub.net/meetups

ZONE 11

Belfast pin NEW VENUE
1st Tuesday of the Month
Balmoral Hotel, Blacks Road, Dunmurry, Belfast, BT10 0NF
Host: Ian Jackson
www.belfastpin.co.uk

Belfast Property Meet
1st Thursday of the Month
The Mac Theatre, St. Anne's Square, Belfast
Host: Chris Selwood
www.belfastpropertymeet.com

ZONE 12

PPN Dublin
Deane & Woodward Boardroom, The Schoolhouse Hotel, 2-8 Northumberland, Ballsbridge, Dublin 4
Hosts: Elaine Miscandlon & Stephen O'Sullivan
progressivepropertynetwork.co.uk/dublin

Dublin Property Meet
3rd Wednesday of the Month
Red Cow Moran Hotel, Dublin 22, Dublin, Ireland **Host:** John Power
www.dublinpropertymeet.com

THE PROPERTY HUB

1st Thursday of the Month (unless stated)
http://thepropertyhub.net/meetups

Dubai The Scene, Dubai Marina Mall
Host: Chris Battle

Hong Kong Check website for time
Classified, Exchange Square.
Host: Kevin Isaacs and Emma Bryan

Stockholm Melt Bar, Malmskillnadsgaten 45, 111 38.
Host: Tim Franzén

Jersey Coming soon

UPCOMING PROPERTY AUCTIONS JANUARY 2018

SPONSORED BY Essential Information Group

LONDON

Harman Healy

30/01/2018

Kensington Town Hall, Hornton Street, London,
W8 7NX, 12:00

SOUTH WEST

D Plaister Ltd

30/01/2018

The Imperial Brasserie, 14 South Parade, Weston-Super-Mare,
BS23 1JN 19:00

YORKSHIRE & THE HUMBER

Mark Jenkinson & Son

30/01/2018

Sheffield United Football Club The Ambassadors Lounge,
Bramall Lane, Sheffield, S2 4SU 14:00

NORTH EAST

Agents Property Auction

31/01/2018

Newcastle Marriott Hotel, High Gosforth Park,
Newcastle upon Tyne, NE3 5HN

EAST MIDLANDS

Pattinson Property Auctions

30/01/2018

Nottingham Racecourse, Colwick Park, Nottingham, NG2 4BE

Savills (Nottingham)

01/02/2018

Nottingham Racecourse, Colwick Park,
Nottingham, NG2 4BE

SCOTLAND

Auction House Scotland

01/02/2018

200 SVS, 200 St. Vincent Street, Glasgow,
G2 5RQ 14:00

WALES

Auction House North Wales

07/01/2018

Bangor FC, The Book People Stadium,
Holyhead Road, Nantporth, LL57 2HQ 17:30

AUCTION TIPS

- Go to at least one auction as an observer before bidding to gain experience.
- Check with local estate agents beforehand to find out what similar properties in the area have fetched.
- Look out for unsold lots, as both the vendor and the auctioneer will be keen to sell and may accept a lower offer.
- Consider properties with a short lease – typically less than 65 years – which should be be relatively cheap. Once you have bought it is normally easy to extend the lease and increase the value.
- Get a mortgage offer before going to an auction. Make sure the lender is able to complete your application within three weeks of the sale. If you don't have the moneyin your account in time to pay for the property you could lose your deposit.
- Finally the golden rule - set yourself a price limit and don't go above it.

SpareRoom's UK Rental Index Q2 2017

The table below shows how room rents have risen across the UK and in London over the past two years:

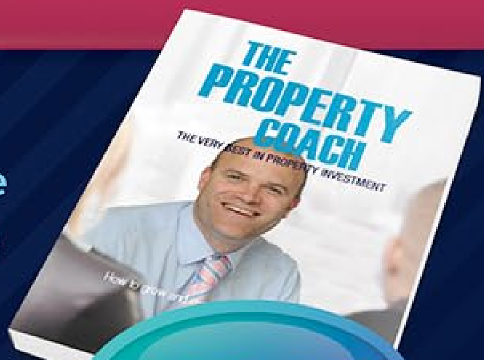
	Average monthly room rent (£) Q2 2017	Annual change Q2 2017 vs Q2 2016 (%)	Annual change Q2 2016 vs Q2 2015 (%)
UK rent (excluding London)	£454	3%(£443)	4%(£425)
London	£722	-2%(£733)	1%(£726)
East Midlands/Anglia	£409	3%(£395)	4%(£381)
North East	£380	4%(£367)	4%(£354)
North West	£396	3%(£383)	4%(£369)
Northern Ireland	£288	5%(£274)	2%(£268)
Scotland	£434	4%(£416)	1%(£411)
South East	£502	2%(£490)	6%(£463)
South West	£449	4%(£433)	4%(£414)
Wales*	£424	17%(£363)	7%(£338)
West Midlands	£407	2%(£400)	-1%(£403)

This table shows average UK rents for Q2, for the 50 largest UK towns and cities, and how these have changed over the past year:

UK's 50 biggest towns/cities by population	Average monthly room rent (£) Q2 2017	Annual change Q2 2017 vs Q2 2016 (%)
Aberdeen	£407	-8% (£443)
Belfast	£287	7%(£267)
Birmingham	£404	0%(£406)
Blackpool	£354	4%(£340)
Bolton	£348	0%(£347)
Bournemouth	£457	1%(£452)
Bradford	£316	-5%(£334)
Bristol	£478	2%(£468)
Cardiff*	£501	40%(£359)
Coventry	£417	8%(£387)
Derby	£377	5% (£359)
Dudley	£364	-5%(£383)
Dundee	£332	4%(£320)
Edinburgh	£502	10%(£458)
Glasgow	£405	4% (£388)
Huddersfield	£343	8% (£319)
Hull	£358	3%(£349)
Ipswich	£423	6% (£400)
Leeds	£386	3%(£376)

UK's 50 biggest towns/cities by population	Average monthly room rent (£) Q2 2017	Annual change Q2 2017 vs Q2 2016 (%)
Leicester	£377	3%(£365)
Liverpool	£367	2%(£359)
Luton	£459	4%(£443)
Manchester	£425	3%(£413)
Middlesbrough	£330	-3%(£340)
Milton Keynes	£494	3%(£482)
Newcastle Upon Tyne	£362	4%(£349)
Northampton	£433	5%(£411)
Norwich	£408	1%(£402)
Nottingham	£384	3%(£372)
Oxford	£560	1%(£553)
Peterborough	£399	4%(£383)
Plymouth	£387	4%(£372)
Poole	£487	3%(£471)
Portsmouth	£437	2%(£427)
Preston	£345	0%(£346)
Reading	£552	5%(£526)
Sheffield	£365	5%(£349)
Southampton	£444	1%(£438)
Southend-On-Sea	£499	6%(£471)
Stockport	£432	7%(£403)
Stoke-on-Trent	£356	1%(£352)
Sunderland	£315	-7%(£337)
Swansea	£348	-7%(£373)
Swindon	£474	4%(£456)
Telford	£395	3%(£384)
Walsall	£377	8%(£348)
West Bromwich	£385	-1%(£388)
Wolverhampton	£360	3%(£350)
York	£417	4%(£401)
London	£722	-2%(£733)
UK excluding London	£454	3%(£443)

SPECIAL OFFER FOR YPN READERS ONLY



FREE Copy of Aran Curry's best selling book The Property Coach – How to Grow and Manage a Profitable Portfolio and win Financial Freedom

~~£14.97~~ Free

Written in a very easy to read format, The Property Coach teaches the ten key areas that you need to master to build a successful property portfolio.

Covering Buying at discount, analysing a deal, building your team of people, your investors mind set, refurbishing a property to the right standard, getting the right finance, tax efficiency. With nearly twenty years of property experience and over 200 properties Aran knows what it takes to be an outstanding investor.

"I have done a fair bit of research into property investing in the way of books, seminars and mentoring and this book is by far the best free resource I have used. In fact, I would go as far as to say it is as useful as a £1000 3 day course I paid for and attended." **JB**

"Well, this book is terrific. Presented in a light style, it bounces along and succinctly covers a lot of ground. There's an integrity to the presenter, you believe him. He comes across as a man who has genuinely created a successful property investment business" **CM**

100 copies available – Visit **www.arancurry.co.uk/freeypn1**

FREE 30-DAY TRIAL OF ARAN'S PROPERTY SOURCING MADE EASY

Do you hear that you should buy properties at discount every time but wonder how to find them? Struggle to find the time to get the very best deals? Or don't know where to start?

~~£297~~

FREE 30 DAY TRIAL AND THEN ONLY £37 PER MONTH

Buying property with a 15%+ discount **TRIPLES** an investors financial returns over a ten-year period!

Property Sourcing Made Easy send you a guaranteed 1000+ properties per annum, with 15%+ discount, straight into your in box. All in an easy to read format, so you can compare deals against each other and find the very best properties for you.

Leverage two decades of building contacts and over 5000 discounted property provider's with a **FREE 30-DAY TRIAL**. When you choose your property you can also leverage our solicitors, mortgage brokers, refurbishment and rental teams, who are here to help you.

"Property Sourcing Made Easy have been superb. I bought an HMO and a family let property through their service and now make a profit of £1000 per month from just those two properties" **KA**

PROPERTY SOURCING
made easy
Part of The Insight Group

To get your **FREE** trial, visit **www.arancurry.co.uk/freeypn3**