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YOUR PROPERTY NETWORK

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CAN YOU REALLY BAG A BARGAIN AT AUCTION?

£28k+ profit on house refurb flip

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INVESTORS AND AUCTIONEERS POINT THE WAY TO SUCCESS.

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WELCOME TO THE NOVEMBER ISSUE!

If you're interested in auctions, this month's lead feature is essential reading. Not only do we have some awe-inspiring case studies from investors, we've also roped in an auctioneer who explains what to expect when you're new to the auction room and offers up some tips for the more experienced auction-goers.

To be successful and make a profit at auction, you must do all your research upfront before committing yourself. You also need to get your finance lined up in advance and stick to your budget on the day. However, the ongoing popularity of property auctions is evidence that there are bargains to be had.

Mark Doyle's article discusses what to look out for on viewings, particularly when you're looking at refurbishment or development projects. Though not specifically about auction purchases, this information will help you research and evaluate potential auction deals.

While the traditional single let strategy has slipped out of the limelight over the past couple of years due to the changing tax climate, it can still provide a good investment backbone. This is evidenced this month by both Paul Stock, who aims to keep several of his auction purchases, and Luke Brindley, who is quietly building a rental portfolio to secure future wealth.

What YPN readers know for sure is that there are lots of property strategies that can lead you to financial freedom. The important bit is choosing the right strategy for you in your investment area.

To your financial freedom!

Jayne Owen

EDITOR

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GOING ONCE ... GOING TWICE ...

CAN PROPERTY INVESTORS REALLY BAG A BARGAIN AT AUCTION?

Without doubt, a property auction can be a thrilling experience. More often than not there's a hum of excitement in the room, especially if a hot property is attracting a lot of attention and bidders. But are auctions really a good place for investors to find a bargain?

There are plenty of horror stories about people who have bitten off more than they can chew, bought a property with an unresolvable physical or legal issue, or simply got carried away and bid far beyond their original budget, ending up with a project that is no longer viable because they paid too much.

Despite all that it is possible to find good deals at auction as the investors in this feature demonstrate. Seasoned professionals learn which properties to bid on and which to avoid. For example, a rundown family house in a good area that will appeal to homebuyers could well go for more than an investor is prepared to pay. And that's the risk: in an auction, many people might be willing to stump up more than you for a property you've got your eye on.

For first timers, the auction experience can be scary. Bidding is fast, the pressure is on and once the gavel falls you're committed. It's over within minutes. This is not an environment for the unwary, so how can you cut your teeth when you're new to the auction game?

One of the biggest questions is how much time and money to put in up front during the due diligence phase. The legal pack provides some information about a property but to be sure you don't end up with a dud you're going to need some professional help. You might need one or more surveys and it's sensible to get a solicitor to go through the legal pack because things that would normally come to light during the conveyancing process might get overlooked.

These research costs can quickly run into the hundreds of pounds – quite a lot for something that you might not even get to own at the end.

Beware, too, the hidden costs. Winning bidders pay a buyer's premium, so it's essential to factor this into your calculations before you start bidding.

Furthermore, you must have your funds lined up. When the gavel falls, a 10% deposit is payable immediately and the timescale to complete on the transaction is usually four weeks. That's not enough time to rely on getting a mortgage through the normal channels. Yet you are 100% committed to the purchase at this stage and if you can't complete, you will not only lose your deposit but also face a raft of cost claims from the seller.

Auctioneer **Toby Limbrick's** article in this feature is a must-read if you're new to auctions. He explains the terminology and offers some tips to help you start. Even regular auction-goers might find some interesting insights from the other side of the gavel.

If you prefer to test the waters in a more measured way, online auctions are a gentler introduction for the uninitiated. While following the same principles as an "in the room" auction, the timescale is longer and it's less frenetic than having to make on the spot decisions under pressure. **Robin Rathore's** behind the scenes perspective outlines the differences between online and ballroom auctions for both buyers and sellers.

As well as the auction professionals, investors **Simon Duckworth** and **Paul Stock** share some of their success stories together with a few pointers of what they have learned through buying at auction over the years.

Few people would argue that auctions are an acid test of what's happening in the property market. The number of people in the room or registering to bid in an online auction act as a gauge for the buoyancy of the market, and the level of competition for lots reveals the current appetite for projects.

All in all, auctions are a great place to operate as property professionals and we hope that the auction professionals and investors featured this month will both inspire and educate you to help you buy with confidence and success at auction.

Jayne

SPEED, CLARITY AND TRANSPARENCY

Interview & Words:
Heidi Moment

WHY BUYING AT AUCTION CAN BRING FAST PROFITS

Auctioneer and valuer Toby Limbrick explains the ins and outs of buying and selling at auction and why he wouldn't do anything else.

Chatting to Toby you can hear it in his voice that he loves his job. The buzz of the auction room on auction day is enough to grip anyone, but, according to Toby, there's way more to it than that.

After years running his own estate agency Toby became disenchanted with the nature of 'normal' property transactions and the associated problems that are commonplace, such as a buyer changing their mind at the eleventh hour. The ***speed***, ***clarity*** and ***transparency*** of the auction process are what attracted Toby to this profession and he has never looked back.

After setting up his own auction house, Elliot Auctions, in 2005, selling between 10 to 15 lots per year out of a local hotel's wedding marquee, Toby's ambitious nature took him onwards and upwards. Rebranding to Network Auctions in 2009, Toby now sells properties nationwide. They have six auctions a year, with each auction selling between 40 and 50 lots. They also sell properties online.

When we spoke, his passion came through by the bucketload and it was a pleasure to delve into his brain, if only for a short while.

SELLING AT AUCTION

Two types of seller

There are two types of people who sell at auction - traders and private sellers.

Private sellers have often been through a lot of pain on the open market, due to bad advice from a valuer at the start of the process and their property going on the market for too much, or buyers coming and going. These sellers have often been messed about a lot and have reached the end of their tether. They just want their property to sell so they can have closure.

Traders sell their stock for a living. They value the speed and certainty of the auction process, which results in them becoming regular repeat clients. They know they can rely on auctions to bring in their money at a certain time, which is important to their business.

Both types of seller trade *"the certainty of top price, for the certainty of sale"*. They want to get on with the sale and the auction is a great place to get that clarity and speed.

Typical properties

Auctions are full of properties that have the potential to add value. It could be something as simple as an old home that hasn't been taken care of and needs some TLC, right through to a property with subsidence or some other structural or title defect. These types of properties will make a better price at auction and will be sold really efficiently compared to selling on the open market.

On the open market you're generally selling to someone who wants to live in the house and won't want it if there are any problems. This doesn't happen at auction. People who buy at auction are experienced and they're ready to take on properties with faults.

Imagine you've got a property with a structural defect. On the open market you instruct the estate agent who then finds a buyer, who makes you an offer in good faith, you accept it and take it off the market. A month goes by, the surveyor attends the property, has a field day, paints it black, and the buyer loses confidence and pulls out, putting you back to square one. This doesn't happen with an auction purchase.

Selection process

Toby explains he could sell any property, anywhere at auction… if it's the right thing to do for the client. When a potential client comes to Toby and his team they go through the appraisal process, looking at the property and understanding the seller's requirements and circumstances. Often it's their circumstances that dictate whether auction is the right method of sale for them.

Toby regularly turns down three quarters of the properties that are offered to him. One in four will be on the same page, in terms of price, and the process will fit with their own personal needs. The rest just aren't right. They either need too much money for the property or their circumstances don't fit with the auction process. If selling on the open market would be better for you Toby's team will always advise this and they'll offer advice to help you speed up the process.

The legal pack

When you sell on the open market you set the price with the estate agent and they create the marketing brochure and put your property on their website and different portals. When a buyer chooses to buy it and starts going through the conveyancing process that's when the solicitor starts to do the searches, to check the title deeds and any other issues or considerations with the property.

When selling at auction all of this information needs to be provided upfront, and this forms what is called The Legal Pack. The pack could be as basic as the Title, Information and Plan, but the more information you provide in the pack, the more knowledge the potential buyers have about the property and the more likely buyers are to bid on the day.

LEGAL PACK CONTENTS:

A good legal pack includes all of the below:

- **Official copy of register of title (to show that the seller owns the property and has the power to sell)**
- **Land Registry search**
- **Local Authority search**
- **Special Conditions of sale**
- **Seller's information forms**
- **Property information form (utilities providers, boundaries, disputes etc)**
- **Drainage search**
- **Environmental search**
- **Energy Performance Certificate**
- **Leases (if applicable)**
- **Management accounts (if applicable)**
- **Tenancy agreements (if applicable)**
- **Fixture and fittings form**
- **Planning permission documentation.**

Creating competition

The organisation of the auction catalogue is a very strategic process, as it has an important impact on the auction day itself, which in Toby's words is "an event". On the day of the event they want to start well, keep people in the room and keep them engaged, and they want to go out with a bang, leaving everyone feeling positive and ready to attend the next one.

The first few lots are always guaranteed sellers and the property the auction team consider their star lot will be amongst these. The star lot might be very competitively priced, so it brings people to the room and sets things off on the right foot, giving people confidence and potentially helping lots further down the catalogue.

At the same time, an auctioneer doesn't want to sell all the best properties in the first ten minutes and then find three quarters of the room have left, so the last handful of lots are always good one's too, which keeps people in the room and creates competition.

From an auctioneer's point of view, if lot one doesn't sell, something's gone wrong and as Toby tells it, *"the ground may as well open up and swallow me whole"*. The catalogue (and the auction day) is arranged to create interest and this usually brings with it some healthy competition.

> "82% success rate this year, compared with a national average of 73%"*

Setting prices

When selling a property through auction the auctioneer agrees two prices with the seller - the Reserve and the Guide.

RESERVE PRICE

The Reserve Price is the minimum price the seller will sell the property for. From a seller's point of view, setting the right reserve is the key element of the process. It needs to be a price at which they can afford to sell and it's got to get people into the auction room prepared to commit on the fall of the gavel.

> "The Guide Price can be no more than 10% below the Reserve"

To get to the reserve price, Toby's team appraise the property, sometimes physically and sometimes with a desktop appraisal. With the amount of information and data available on the internet, it's quite easy to understand exactly what the client owns without visiting the site. If it's been for sale on the open market, property details, photographs and a floor plan are already available. If not, they use Google Maps Street View and Rightmove Plus to get further information, or they send somebody to go and view the property.

Following the appraisal they discuss with the seller what they believe the market value is and what the auction Reserve Price needs to be. Once the seller agrees on the Reserve Price the Guide Price can be discussed. The Reserve Price remains confidential between seller and auctioneer so buyers aren't aware of the seller's minimum price. It's up to them to set their own maximum budget.

Guide Price

When the market was unregulated unscrupulous auctioneers could name any Guide Price, just to get people into the room. This is considered "bait advertising" and shouldn't happen anymore, since the Advertising Standards Agency ruled that auctioneers must have a Guide Price that is no more than 10% below the Reserve.

So if the Reserve is £100,000, a single figure Guide will be no lower than £90,000, and where you have a price band (auctioneers might quote a price band of £90,000 to £100,000), the Advertising Standards Agency ruled the Reserve must be within that price band.

The Guide Price is the price advertised in the catalogue and the price at which bidding might begin on the day.

On the day of the auction

The object of auction day, of course, is to create competition, and for bidding to take the price higher, but that's all down to what happens in the room and cannot be guaranteed.

The auctioneer presents the lots to the room in catalogue order. This can be an exciting time for everyone, but it's also the time buyer's need to keep their cool to prevent overbidding and spending more than they want to.

There are often stories about crazy results being achieved with people who have got caught up in a bidding war, and the selling price has exceeded all expectations. In some cases, exceeding market value, which is an amazing result. But for every one of those stories, there's a property that just sells at the Reserve Price. As a seller if you get your reserve price it's been a success and you leave the auction room with a smile on your face and maybe a bit less baggage on your shoulders. If the price exceeds the reserve then it's exceeded expectations and you're probably bouncing out of the room ready to go and celebrate.

In the event that it doesn't sell, and this can happen if the property went on the market late and buyers didn't have time to view it or download the legal pack. If only one bidder is bidding and hasn't quite hit the reserve price yet, it's the auctioneer's job to try to get the price up by bidding on behalf of the seller. They can't bid the Reserve Price though, so if the buyer doesn't quite get to that mark the gavel won't go down and the property won't sell on the day.

Post-auction sale

The best time to secure the property is in the room, on the fall of the hammer, but there are other options if it doesn't sell in the room. A buyer may still buy the property post-auction, by putting forward their best bid to the auctioneer, who will then pass that on to the seller. At this point there's no obligation on the seller to agree a deal though, so it's not a given that a buyer will get it.

If the property doesn't sell it may be entered into the next auction, if both the auctioneer and the client agree that's the right thing to do.

Fees

Network Auctions' fees are based on the value of the property and the issues involved with selling it. It is usually a percentage of the sale.

You also pay £500 (plus VAT), to put your property into auction, payable at the time of putting it in the catalogue. And you'll need to enlist your solicitor to put together the legal pack, which also comes with a fee.

If the property doesn't sell you don't get your listing fee back, but there are no further charges to go into the next auction.

Pros and cons for a seller

PROS

- **Speed, certainty and transparency.**
- **The opportunity to achieve a premium price through competitive bidding.**

CONS

- **The reserve price might be lower than market value to create interest.**
- **The fees are more expensive than with an estate agent.**

BUYING AT AUCTION

Types of properties

All types of property can be sold at auction, everything from a show home to a shack, but the best lots are properties that need refurbishment or repair and have the potential for someone to add value to them. These attract the most competition and encourage competitive bidding.

> “The best lots are properties that need some TLC”

Typical buyer

Buyers tend to be professional and experienced property investors and developers or experienced builders, with cash, who are looking for opportunities to add value to a property and sell on for a profit. They are people who are buying with the head, not the heart.

Due to the nature of the process, many people buy with cash at auctions but often investors end up financing an element of the purchase, through bridging finance or private finance.

In busy markets, owner-occupiers buy at auction too, but the whole process of buying in an auction room, where the fall of the gavel equates to an exchange of contracts, can be very nerve wracking for a buyer with a mortgage, and a non-starter for somebody who is selling their own property. It is possible to buy with a mortgage, but you must be certain your lender is going to come through with the funds in time because you don’t want to risk losing that huge deposit.

Due diligence

As with any property purchase you need to do your due diligence. Buyers usually approach this in the same way as they do for normal conveyancing purchases, checking property information, local information and comparables.

The legal pack is also crucial to your due diligence as it contains everything a buyer needs to know about the property. Depending on the experience level of the buyer it’s always a good idea to get a solicitor to look through the legal pack and highlight any issues. Try to work with a solicitor who is used to dealing with auction purchases, as they are used to working quickly and they know what they’re looking for in the packs. A solicitor who deals with traditional conveyancing may cause delays and they may also charge you more for this service.

The need for speed

Everything with auction happens fast, and that’s the beauty of it. Most auctioneers publish their catalogue three weeks before the auction, and there are three viewings prior to the auction for potential buyers to look round and assess the property for themselves.

So in three weeks a potential buyer will need to do all the due diligence and number crunching, as well as visit the property with their builder or structural surveyor (or any other specialist they may need), and get all the finance together ready for completion within a matter of weeks.

Experienced developers are set up for this and often only come to the final viewing the week before the auction, if at all. It’s extremely rare for someone to buy a property at auction without viewing, but it does happen. This is called buying blind and is generally done by very experienced traders who trust their own judgement.

If you’re relatively new to buying at auction getting everything ready within that time and being confident to proceed on the day can be quite a daunting task, especially for those who pick up on the marketing late and only end up having a week or so to pull everything together. So, it pays to be organised and get involved in the process as quickly as possible to give yourself time to get everything in order.

TIPS FOR SETTING A MAXIMUM LIMIT

When you’re buying with the heart, it can be really tough to by at auction, especially if you’ve got your heart set on something. When you’re buying an investment property it’s not as difficult but it still pays to set a maximum limit and stick to it, no matter what happens on the day.

Remember it’s the auctioneer’s job to take you with him or her, and the best auctioneers are very skilled at encouraging people and extracting more money from them. There are lots of psychological ways to do that, by making eye contact, smiling, nodding, encouraging, and that’s what a good auctioneer will do. Be aware of it and don’t fall for their tricks. If you think you might get carried away, take somebody with you who will sit on you and stop you from bidding.

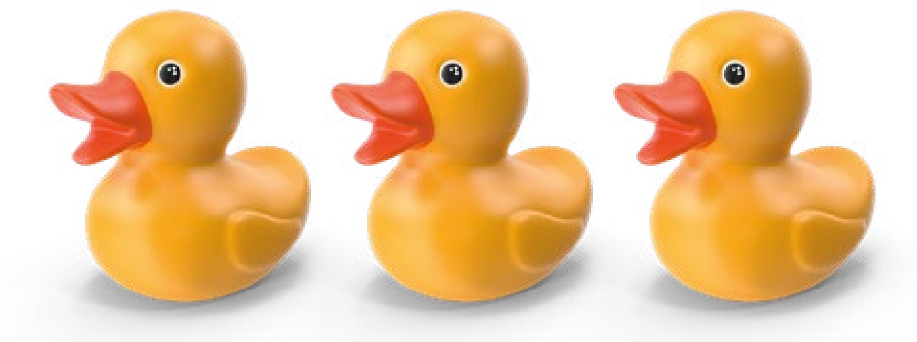
Ducks in a row

The speed and the legal commitment that is made when you buy at auction means contracts are exchanged on the day and the purchase completes four weeks later. It's a very fast process, so buyers have to make sure they have all their ducks in a row before the fall of the gavel.

> "Exchange on the day of purchase, complete 4 weeks after"

A 10% non-refundable deposit is paid on the day. Then you have 20 working days (four weeks) to get the finances together and complete the purchase. If you don't complete, you lose your deposit.

If you're not ready to complete on the due date, the seller's solicitor will issue the 'notice to complete', which gives you an additional 10 working days. This may give you a bit of extra breathing space, but it also comes with extra fees, including £200-£300 to produce the notice, then a penalty interest of 4% above the base rate, per day. This might work out at around £20 or £30 per day, which may not sound a lot, but all the costs can add up. And the biggest danger is if you are still unable to complete at the end of the 10th day the seller will 'foreclose', which means you forfeit the deposit, and the seller also has the right to claim their costs from the buyer, including the auction costs, legal costs and if the property is sold for less, they could potentially seek the difference from the buyer. So, as a buyer, it is absolutely essential to ensure you have the funding in place, otherwise you are putting yourself in a very serious position legally and financially.



Pros & cons of buying at auction

PROS

Security

One of the great benefits of buying at action for both the buyer and seller is the security of knowing they will both walk out of that auction room knowing the deal is done, and there's going to be no messing around, as there often is with estate agent purchases.

Transparency

Any defects or issues that may affect your decision to purchase the property, will be fully described in the catalogue and by the auctioneer on action day. Everything is transparent and you as a buyer have time to do your own due diligence or visit the property with your own structural surveyor to check that you're happy you can fix the problem.

The nature of auctions also means that everybody has an equal opportunity. There's never a question that the agent's done a favour for his preferred developer, or heaven forbid, has taken a payment to secure that sale on the side. The person who's prepared to pay the highest price, wins, and you can't be any more transparent than that.

CONS

The biggest unknown with buying at auction is not knowing what's going to happen on the day. You might do all your due diligence, pay for a solicitor to read the legal pack and a surveyor to check the structural elements and you're all good to go, you go into the room with your maximum offer and you get outbid. Somebody wants it more than you do and they're prepared to go higher. That's a reality and it happens a lot.

In this case, you have to be confident in your numbers, set your level and don't get carried away and you won't overpay for a property. Yes, a bit of time has been wasted and you've spent a bit of money, but you're not putting yourself in a difficult situation where you might lose your deposit, or make a loss on the property because you overpaid for it.

THE 3 GOLDEN RULES OF BUYING AT AUCTION

1. **View the property**
2. **Read the legal pack (get a legal adviser to do this)**
3. **Get the finance in place (this includes conducting a survey if the loan or mortgage is dependent upon it).**

In terms of making sure you've got the finance in place, it's always recommended to have a few plans up your sleeve. For example, if Plan A is to use bridging finance, Plan B may be to remortgage one of your assets, and Plan C could be the Bank of Mum and Dad. It all needs to be planned out, so you know what you're doing if anything changes.

> "The minute that gavel goes down, it's yours and there's no going back. You are legally bound"

TEMPTED?

Buying and selling at auction can be pretty straightforward, when you have all the elements in place. The speed, certainty and transparency for both buyer and sellers makes this a very appealing way to buy an investment property. It's totally black and white and if you do it right, can result in a great deal with a fast turnaround.

Will you go to auction for your next property?

NAVA is the trade body for all auctioneers, including anything from property to fine art, farm machinery and livestock. Auctioneers sign up to NAVA's code of conduct and attend annual conferences and training courses on legislation updates. Toby has trained both novice auctioneers and experienced auctioneers on behalf of NAVA and recommends if you're considering buying or selling at auction that you do so through a reputable company who is a member of NAVA or RICS (Royal Institution of Chartered Surveyors). Both organisations have a code of conduct and deal with people in a fair and professional manner. They also have recourse to action if you're not satisfied with the service they receive.

CONTACT

To make an enquiry about selling a property through Network Auctions contact Toby on **tl@networkauctions.co.uk** or **01923 240420**

To view next month's auction catalogue go to **www.networkauctions.co.uk**

AUCTION FLIPS

MAKE SPEEDY RETURNS

SIMON DUCKWORTH EXPLAINS HOW HE BUYS AT AUCTION, REFURBISHES AND SELLS ON THE OPEN MARKET TO GET PROFITS OF £28,000 PLUS.

Interview & Words: **Raj Beri**

Having first established a rental portfolio consisting of single lets and HMOs, Simon then turned his attention to his real passion, which is to take dilapidated properties and refurbish them to flip (sell on). Uniquely these days, he sources all his deals through auctions and in this interview, he describes the process he follows including due diligence, reconfiguring/refurbishing the property right through to achieving a quick sale.

YPN: Having established yourself in property, what made you switch strategy?

Simon: When I last spoke to the YPN back in 2016, I was heavily involved in a HMO strategy. It's a great strategy and it's been good to us, but what I realised throughout the process was that the bit that gets me fired up the most is the sourcing and acquisition and doing refurbishments. Before I got involved in property I worked for Volkswagen Audi as a body shop manager. The thing I loved best about that job was taking a car that had been really smashed up and restoring it to its former glory. It's the same with houses. I love taking a building that's in a really poor condition and transforming it into a desirable home. The more derelict the house the better!

As the HMO market in Leeds matured and became more stagnant we realised we needed to diversify a little, so rather than having all our eggs in the HMO basket we added a flip strategy into the mix.

I've always been interested in flipping and the time felt right to make the change, so I jumped straight in. I've spent the last three years sourcing, refurbishing and flipping residential properties in good locations. I also offer project management and consultancy services to other investors who are time poor or just need some help with their refurbishment for one reason or another.

YPN: Tell us more about using auctions to source flip deals

Simon: In the past I have had success in sourcing direct to vendor and through the traditional estate agent route, but my preferred current route is auctions.

I love the speed and transparency of the process. It's so much easier than the long and drawn out way the estate agents do it. Plus, I quite like the excitement of auction day.

In Leeds there are three auctions every six weeks. When auction stock is released, it's normally 10-30% cheaper than similar stock on the open market. This is very appealing and you can pick up really good deals this way.

I'd be happy to secure a deal from each auction, but it doesn't quite happen like that, as getting the right property at the right price is the hardest element of the process. I always go for properties that need significant work and have problems that can be fixed – things like subsidence and high flood risk can't be easily fixed so I tend to avoid these.

There are usually three viewings per property before the auction takes place (one per week). During those three weeks, I visit the property on my own to assess the condition and the works that are needed. If necessary, I go to a second viewing with my builder or structural engineer if there are structural defects. When I first started doing refurbishments I always took my builder with me, as I valued his input on the refurbishment. As time has gone on and my experience has grown I find I trust my own judgement now, so I'll only call him in if there's something I want a second opinion on.

Going through the legal pack with a fine-toothed comb is essential to the due diligence process. The legal pack is available to download some time within the three weeks leading up to the auction.

Sometimes the packs are great, and contain all the information about the property, including title deeds, owner, searches, management of property (if it's rented out), and any issues with the property. Sometimes they're not so great, and only have minimal information, which doesn't leave you a lot to work with, and makes doing the due diligence that little bit harder.

We work with a great solicitor who specialises in auction transactions and I'll ping the pack to her to check over and she'll get back to me within a couple of days and charge me a nominal fee. It's probably worth saying here, that if you use a solicitor who isn't familiar with auction purchases they may charge you several hundred pounds for this, and it could take them weeks, which is time you just don't have on auction purchases.

On auction day I usually have a few lots I'm interested in. I like to get there nice and early so I can meet other people and assess the room. I always sit two-thirds back from the auctioneer on the side, where I have a good view of the room. It's not possible to see the people at the back if you sit at the back, but at the side you can see everyone. Sometimes there'll be a few people bidding for the same property as me, so it's definitely a case of being disciplined and sticking to what the spreadsheet is telling me. You win some, you lose some, and that's ok.

My last few transactions have been post-auction bids that had failed to sell in the room, but I managed to secure them after the auction. I've also made online and telephone bids and my latest one I actually bought from a London auction. So staying local isn't always the right choice.

"I look for properties where I can add value, the worse condition the better."

YPN: Give us a sense of your sourcing activities - how wide a geographical area do you cover and what is your target demographic?

Simon: Some investors will buy all over the UK but as I do the project management, I like to be able to travel easily to site, so I invest within an hour of where I live in Leeds, covering York, Harrogate, Wakefield, Bradford and the surrounding areas. I know these areas well, which helps when analysing the deals.

"I invest within an hour of where I live in Leeds and the surrounding areas"

I look for properties where I can add value, the worse condition the better. Ideally, properties I can sell to first-time buyers who are not in a chain to avoid dragging out the sales process. I also target families, so choose locations with good schools and amenities.

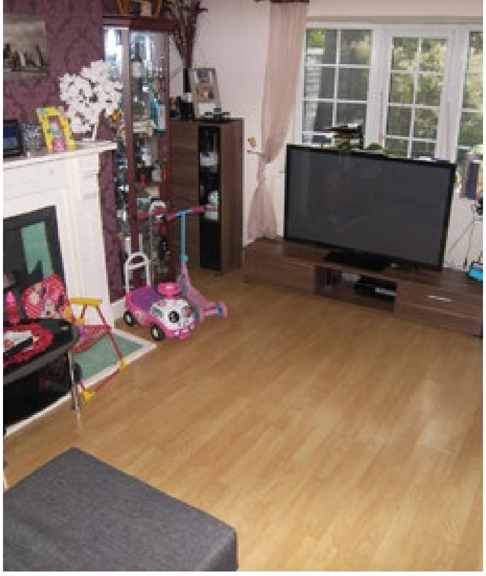
I look to make a profit of around £20,000. I know this is relatively small compared to the kinds of projects some other developers are working on but this works for me, as well as my investors. If I can do four or five flips a year I'm happy.

YPN: Tell us more about your due diligence and refurbishment processes

Simon: Carrying out detailed due diligence on the lots of interest is key. You don't get long for this, so you have to know what you're doing and have good systems in place for how to go about it. Over the years I've built up a pretty robust due diligence process. I have a number of alerts set up via Rightmove and the EIG group for anything in West Yorkshire and I actively search for properties.

Leeds City Centre

CASE STUDY 1 BEFORE



I've got a detailed spreadsheet and appraisal form per property, which can be anything from 4 to 12 pages depending on the complexity of the project. This covers everything about the property and proposed works, budgets, local information and comparables, sale demand in the area, recent sold prices etc.

All the deals I secure are based on the numbers. The key thing is to start with the end value, then calculate all the costs and do everything you can to ensure a quick sale whilst being mindful of the profit margin you are aiming for. Once I've factored in the required profit margin and included all the associated costs, I pretty much know what I can offer.

Getting the costs right can be the difference between making a profit or making a loss, so I spend a lot of time on getting this right. The refurbishment is the bulk of the costs, but there are other things to consider, eg SDLT, legal fees for purchase and sale, auction fees, finance costs, holding costs such as council tax and energy bills, selling fees and, finally, tax on the profit. Finance costs also need to be included. Depending on the project this could be anything from six to 18 months. The way the market is at the moment the sales process is unpredictable and can sometimes take longer than it would have done previously, so I often put the finance costs in for longer to make sure the project can deal with it. That prevents me getting into a sticky situation further down the line, if the sale is delayed for any reason.

On a straightforward project I include a contingency fee of 10% to cover any unexpected issues that may arise. I always try to stay within this wherever possible and if it looks like the project is going to go over for any reason, I'll try to make some changes elsewhere so the project doesn't go over budget.

YPN: How would you advise readers to start putting a refurbishment team together?

Simon: When I'm consulting with clients, I always recommend getting a builder who can bring his own tradesmen in and will manage them. Managing all the trades yourself can be very painful, so having a builder to be the site manager comes with a lot of advantages. I have a great site manager who oversees the day-to-day activity and progress of specific projects, including managing all trades and purchasing all materials. This way, as project manager, I can oversee everything, keeping an eye on the budget and timeline, which generally means only visiting site once a week, or fortnight. We talk on the phone every day, but I don't physically have to be there, which saves me a lot of time.

"In addition to my own projects, I also project manage sites for other people, so I often have four or five projects on the go at any one time, so having a great site manager and refurb team is key."

It has taken a while to build up my team and I've had some good and bad experiences along the way, but we all live and learn. I was lucky that the first team I worked with were brilliant and have gone on to be one of my regular teams. But when you're trying people out you inevitably have to kiss a few frogs.

I recently had to throw an entire team off site. Despite repeat requests they were unable to match the high standard of refurb I expect and I could see it wasn't going to get any better. Throwing them off site wasn't a nice feeling, but I won't jeopardise the outcome of the project just to save face, so I asked them to leave and they left.

YPN: What funding strategies have you used to secure properties at auctions?

Simon: I've funded projects in a variety of ways, including my own funds, JV partnerships, bridging and private lenders. These days I favour private loans and have several trusted lenders, who I work with to offer a good return. This is one of the best parts of this business for me, working with people with shared goals to achieve a positive outcome. It always puts a smile on my face to work together to achieve our mutual financial goals.

YPN: Can you talk me through one of your auction flip deals?

Simon: Wakefield Road was a two-bed end terrace that had been through two auctions without achieving a sale. It got my interest even though it was an area I didn't know well at the time. With a bit of research I found it was located in Horbury, a sought-after part of Wakefield and it was just up the road from a good school, so the location was perfect.

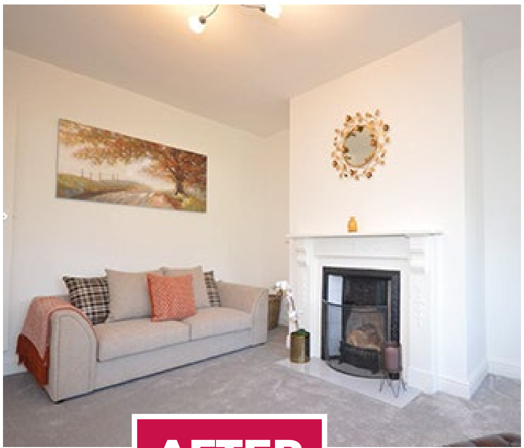
It was tenanted which I think put a lot of people off, due to the uncertainty of getting vacant possession to undertake the refurbishment. However, it turned out not to be a problem. I went to see the tenants once I had made the purchase and advised them what I was planning to do, and they just said, *"No problem, we'll move out in a week"* which they did! Looking back, it seems a bit bizarre that the owner didn't evict the tenant prior to auction, which would have generated much more interest and it probably would have gone for a higher price.

The house was badly configured with an L-shaped kitchen, which strangely led to the family bathroom. We managed to move the bathroom upstairs and create an extra en-suite bedroom to the ground floor to create a contemporary but homely three-bedroom family home with a country cottage feel.

The finish of the property is key to generating interest at the price we're aiming for, so we work closely with an interior designer to create high quality, contemporary homes, tailored to our target audience and within our budget. Apart from the essential colour scheme and kitchen and bathroom design, it's necessary to finish the property by partially furnishing and dressing it. We aim to show the buyer the property at its best, by dressing the kitchen, living room, bathroom and one of the bedrooms with items that are specifically chosen for the property and its dimensions. This really helps potential buyers to imagine themselves living in the property. And it works. Buyers often want to keep the furniture, and we happily oblige, selling it to them for cost.

We always sell our properties on the open market to try to achieve the maximum price possible. On a number of properties we've managed to increase the ceiling price in the street due to our refurbishment, and on one occasion a neighbour said *"If you sell this house for that, I'll put mine on the market"*. We did sell it for that, but I'm not sure if he sold his!

"As well as project managing to ensure things are running smoothly, it's also necessary to manage the sales process, which can be challenging."

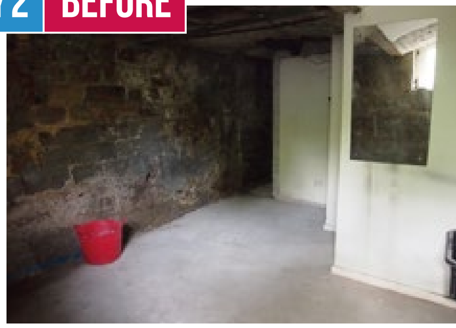


AFTER

NUMBERS

Purchase price:	**£114,000**
Refurbishment:	**£23,374**
All costs (inc fees, finance etc):	**£156,857**
Sale price:	**£185,000**
Profit:	**£28,143**

CASE STUDY 2 BEFORE



This particular project had several delays with the sales process. We lost the first buyer who dropped out towards the end of the conveyancing process, so we had to put it back on the market, which delayed the sale by three months.

The second buyer was a cash buyer, which we were pleased about, as we thought the process would be able to happen quickly. They ended up getting the most expensive survey they could find on a recommendation from their solicitor and hit us with a list of works they believed needed doing, some of which were very vague, with the report saying they *"may need attention in the next 10 years"*. This is the problem with these reports, they are not very specific and they frighten buyers off.

From experience we knew some of these things were either not a problem, or were easy to fix (such as adding insulation), but for a first-time buyer these reports can be worrying. The buyer asked us to knock £10,000 off the price to account for the works, which was just ridiculous. Instead we discussed the report with them and agreed to replace some of the items they were concerned about. We did this ourselves at a cost of £2,500, which saved us a lot of money in the long run.

We also had legal challenges because there was a parcel of land at the back, which was not on the title, but was clearly part of the property. We had to track down the original seller and ask him to sign a declaration of trust, to get land registry to add the land to the original title before the sale could proceed. This was a bit of a pain and took several weeks to sort out.

YPN: How did the second case study differ from the first?

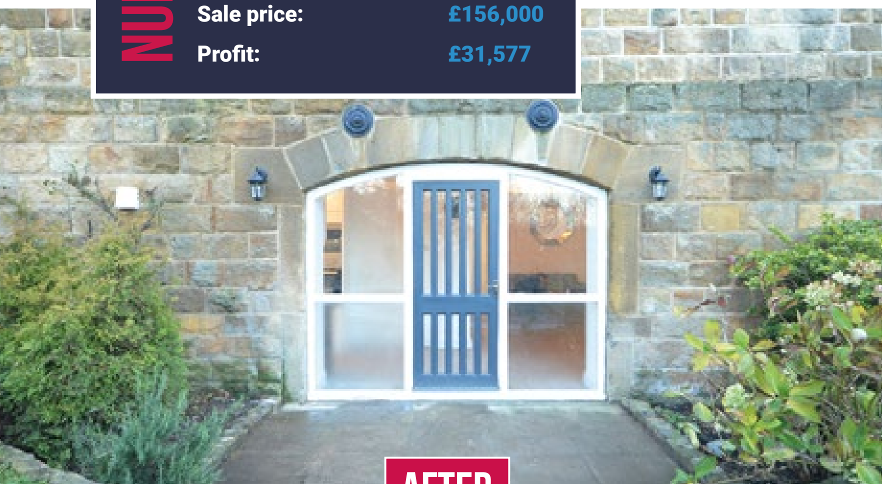
Simon: This was a previously failed project of a basement conversion in a mill. The property had numerous issues and we essentially bought it as a shell in which we had to recreate the opening and redesign the layout. In the auction, apart from bidding in the room, you can also make telephone bids or something called 'a proxy bid' in which you advise the auctioneer, in writing, what your maximum bid is and that's it. I secured this property via a proxy bid and it has proved to be a very good deal.

The property is in a beautiful location, which is a conservation area so we had to follow the survey and works to the letter. We ended up building an aluminium box frame within the basement to ensure that the frame did not make contact with the external walls and we created a gorgeous two-bedroom, two-bathroom flat with open plan kitchen, retaining many of the original features. To date this has been our slickest and quickest sales process. We secured a buyer within four weeks of it going to market and the conveyancing process went through without a hitch in six weeks. If only they were all like that!

The biggest challenge for this project was managing the site. There are 32 flats in the mill so plenty of nosey neighbours to make complaints about the mess and noise, which wasn't that much, people just like to complain don't they?

NUMBERS

Purchase price:	£75,000
Refurbishment:	£36,277
All costs (including fees, finance etc):	£124,423
Sale price:	£156,000
Profit:	£31,577



YPN: What are your top tips for securing deals via auctions and what are your plans for the next few years?

Simon: As part of your due diligence try and establish the reason why the property is in the auction to assess whether the problem can be fixed. Also be ready to walk away from a potential deal if your finances don't add up or you are competing with someone looking to buy a home, as they're not factoring in any profit margin so will be able to pay more than you. You may also want to focus on lots that don't sell at auction and act quickly to secure these post-auction.

My plan is to do more of the same for the foreseeable future and to grow my team and my business. I hope to continue working with my current trusted investors and hopefully to add some more into the mix, and I'm also going to continue offering project management and consultancy services to other investors.

CONTACT

If you're looking to invest or want someone to source and project manage your next refurb, contact Simon at:

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www.trianglepropertysolutions.co.uk
Linked-in: **Simon Duckworth**

NOW LISTEN TO THE FULL INTERVIEW WITH SIMON HERE

AFTER

THE NUMBERS RULE THE DEAL

WHY PAUL STOCK TRIES TO KILL THE DEAL AT EVERY STAGE

Interview: **Ant Lyons** & **Angharad Owen** / Words: **Angharad Owen**

Paul Stock is no stranger to YPN. He was featured in the January 2019 issue of the magazine, and has taken part in YPN Extra webinars. He has a track record of generating phenomenal returns on refurbishment projects, both when keeping the properties to rent out and when selling them on. Although he employs several lead acquisition strategies, Paul often sources deals through auctions, and has a rigorous due diligence process to make sure that he secures a lucrative property and not a dud.

Auctions are a great environment to find out what's going on in the market. If you know what you're doing, there are some good deals to be had, but it's also all too easy to get carried away on the day. In this article, Paul explains how he does his research and keeps the budget in the front of his mind. He also shares some tips to help you make the most of the auction experience.

YPN: What is your main property strategy?

Paul: For auction properties I prefer to buy and hold, but sometimes we'll sell if necessary. When keeping to rent out, I try to build in a large profit so that we can refinance to draw out all of the cash in order to do it all over again.

Over the portfolio, we have an LTV of approximately 50%. I like to leave a lot of money in the deals and pay it down over the years, while also building a cash pot so that we can keep moving forward.

More recently, we've decided to start moving auction properties into a company structure using SPVs for tax reasons, whereas in the past we would buy in our own names. Swapping to this structure has allowed us to pull more money out of a deal, which means we can reinvest more.

Previous to property I ran an accounting firm, and also used to work in business recovery and turnaround. I didn't enjoy accounting as much as I enjoyed the business side. However, I absolutely love property and am strangely obsessed with due diligence, which most people hate.

> "My background in accounting has helped me a lot in my property business"

YPN: Has your role as an accountant benefitted your property investing?

Paul: My background in accounting has helped me a lot in my property business and especially with auction purchases where a more structured approach is needed, as it means that I'm very focused on the numbers. About 90% of my time is spent trying to pull deals apart. We refer to this as "trying to kill the deal".

There are several hundred due diligence checkpoints that we go through in our systems, and we try to kill the deal at every stage. In the end, it's about what we can control. GDV is determined by the market value and is not within our control. The purchase price though is something that we do have control over – that's how we make our money and why we spend so much time on due diligence and de-risking deals before purchase. We make money when we buy and not when we sell or re-mortgage.

You could call this ruthless but the reality is that the numbers rule the deal. And I don't limit that approach just to the purchase price. I like to keep costs low when undertaking refurbishments too. For example, instead of using kitchen tiles that might cost up to £1,000 to supply and fit, we use modern acrylic splashbacks. These are much cheaper, look very modern, cost around £200 and can be fitted by a carpenter within a couple of hours. In everything we do, I try to eliminate costs / time and add value through value engineering. Being so focused on the numbers and risk is I think one of the reasons why accountants often do well in property. If it doesn't add value, we don't add it unless it is an essential cost.

In fact, I believe that anyone can be good at property. There are, however, a lot of people who don't follow the rules. Investing is all about systems and processes, managing and reducing risk, and of course, doing thorough due diligence in the first place.

Many people ignore these rules and then get stuck after buying their first development because all their money is tied up in it and they can't recycle their cash back out. We believe this is especially important with auction purchases.

YPN: How long have you been investing?

Paul: I started back in 2015 with simple BTLs. My first one cost £102,000 to purchase, and after spending £2,000 on the refurbishment, it was revalued at £135,000. As a result, I was able to pull all my money out and put the profit down as a deposit for the next property.

I don't tend to buy for cashflow, as I have other businesses providing me with a monthly income. I invest in property for the capital gains and planning gains. I used the BTLs as a way to cut my teeth and learn about due diligence and the re-mortgaging process. When I started, I had around 30 items on my due diligence list, but now it's more like 700 due diligence points on our own inhouse computer system. I've become a lot more refined in what I'm looking for.

YPN: Has there been a project that has shaped the way you invest now?

Paul: I spoke about this in a lot more detail in an article back in the January issue of YPN, but there was one project where we made a lot of money – St James's House. We bought it for £120,000 and spent £40,000 on the refurbishment. It was revalued at £425,000 by Kent Reliance, allowing us to make £265,000 profit. This project really cemented our drive to find 100% profit in every deal, and it has also just been nominated for "Deal of the Year" at the prestigious Property Investor Awards.

It was a vacant commercial Grade II Listed office building, and it had been on the market for around a year. No-one knew what to do with it. It seemed impossible to do a C2R conversion as there was no outside space due to a neighbour parking on the garden for 20 years. However, while doing our due diligence I looked back over the building's 20-year parking history and realised that the garden had been sublet to someone else. I managed to recover our garden area for free, therefore creating amenity space, and turned a potentially worthless asset – ie, a problematic building – into a valuable one and a planning gain of over £265,000.

£40,000 sounds like a low cost for the restoration and conversion works of a listed building, however we focussed on the areas which added value. Works included a huge amount of decorating, new kitchen, bathrooms, gardens and so on. In addition, we had the Conservation Officer regularly inspecting, which added to costs.

We could have made more money out of this property. However, our motto is: *get in, get on, get out again*. With this in mind, we converted it into a house, but if we had created five apartments instead, the process of achieving planning permission would have taken at least two years. Although that could have led to another £100,000 profit, I'd rather get onto the next deal. I don't want to hang around for years on a single project.

I always look at the opportunity cost as well. I know I can make more money by constantly moving to the next deal.

YPN: Let's turn to the subject of auctions. What is your strategy for auctions?

Paul: As a team, we have a thorough process. When the auction catalogue is released, we identify the properties with potential according to our criteria, then spend a week doing up to around 20 to 30 viewings. From there, we identify two or three that we think may be suitable, and then pull the deals apart to see how well each one stacks up.

As we've been following this process for a while, we know the sort of property that's suitable for our strategy. As well as developments, I like to focus on properties that would work well as a BTL in my portfolio.

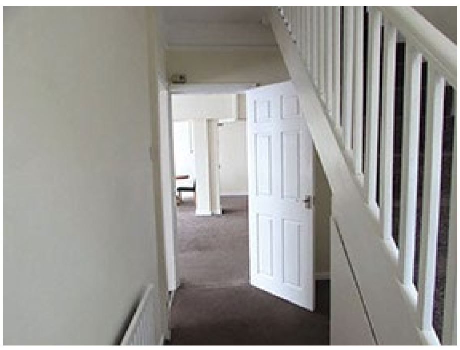
As I mentioned earlier, 90% of our time is spent on due diligence. We get thousands of leads a month, and most of them could work perfectly well. But because I see it as a numbers game, I'd rather spend two months pulling a deal apart and spending money on due diligence to potentially make a huge amount of money, than buying the wrong one quickly and making a pittance, or worse – losing money.

It's also worth bearing in mind that some of the more expensive houses at auction are often aimed at homebuyers rather than developers looking to make a profit. We recently looked at a Grade II-listed barn in a horrible condition. It was riddled with woodworm, damp and there was a bog (literally a bog, not a loo!) right outside. There was no way anybody could have made any money on it, yet it went for £250,000 – way above the guide price. In the end, people got carried away, but we try to keep away from the money pits and high competition properties.

Many bidders also only focus on one property in an auction. They will have re-searched it and perhaps set their heart on it, and ultimately, they get caught up in a bidding war. When this happens, it's clear they haven't researched any other properties that are also available to purchase.

In the auction room, there is a lot of competition, and I try to avoid the properties that attract this level of interest. Lots of people can raise between £30,000 and £40,000 for the deposit of a property with a guide price of say around £100,000, but we've found that the competition decreases when buying above say £150,000 or something more unusual.

We bought a mixed-use building for £150,000, spent £3,000 on it and it was revalued at £350,000 by two Estate Agents and slightly lower by BM Solutions. This resulted in a profit of £197,000.



All it needed was a simple change of use, but most of the people in the auction room weren't interested. This particular property was a newsagent with a large flat above it in a conservation area. Luckily for us, the weather was awful on the day of the auction so very few people turned up. I raised my hand for £150,000, thinking it would sell at £230,000, but no-one else bid.

It wasn't an impulse buy, though. We had completed a lot of due diligence and de-risking, including speaking to the neighbours, finding ten comparable properties and figuring out five exit strategies. We also carried out a full planning consultant review, legal review, financial analysis, sensitivity analysis and had finance in place beforehand.

YPN: Can you still work with investors when buying at auction?

Paul: We have a variety of different investors for our auction purchases ranging from:

- **loan investors – we pay 15% interest per annum with a full personal guarantee, and train them up in planning gain and due diligence**
- **50:50 joint venture partners – we find the properties / deals and they help fund them and pull the deals apart; they are also trained in planning gain and due diligence**
- **pension fund providers – they invest their pension funds in our developments**

Auction finance is very different compared to buying with a standard residential mortgage. Things happen very quickly, and there's normally only 28 days to complete, hence we would use either investor / JV funds or bridging finance. At some point, every investor is going to run out of money, so credibility is important to be able to attract investors. My background in accounting, due diligence, risk analysis, focussing on the numbers and a track record of having done deals with 100% profit has really helped with that.

"Auction finance is very different compared to buying with a standard residential mortgage"

YPN: Do you have a team?

Paul: I have a great team, and it certainly helps! My son, Ollie, is training to be a Town Planner so he's pretty clued up about anything to do with planning permission. We also have an Office Manager and regular Planning Consultant, solicitors, mortgage brokers, project managers and builders. My background in business and accounting has made me obsessed with systems and processes, so we have hired someone to build a computer programme to implement exactly what we wanted throughout the business, in order to automate so we can spend more time focusing on finding and analysing more sites, and do it faster. It also takes the human emotion out of a decision and allows us to work with more investors and JV partners on more sites.

Some of my other children also like to get involved and learn about property. As we're a family business, it can be difficult working together sometimes. Ollie is getting quite experienced now, as he's been working in the business since the age of 16. Now that he's 19, he helps with the projects and project-manages some of them too. He has also just been nominated for the New Investor Of The Year Award at the Property Investor Awards.

With so many of us involved, when it comes to family life it's nigh on impossible to find the work/life balance. The two topics of conversation around the dinner table are either Crystal Palace Football Club or property. It's very difficult to get away from it. Even my six-year-old knows what planning permission is.

YPN: What has been your biggest challenge so far?

Paul: We like to do things quickly! According to the TV filming crew we broke the Homes Under the Hammer record in May this year by doing a complete refurbishment in nine days on an auction purchase, including new kitchen, bathroom, plastering, decorating, clearing the jungle in the garden, carpeting … I could go on.

It wasn't nine days from purchase to completion though, as we had to wait for the TV crew to be available and couldn't make a start on the project until we had the go-ahead from them. When we did get to work on it, on filming days they would usually wrap up at around 2pm, but our team would still be working in the house into the early hours of the morning.

Our next goal is to do a full refurbishment (also bought at auction) in seven days, again as a Homes Under the Hammer project in late October. I like the challenge of doing something that some might consider unachievable. However, I feel it's important to challenge not only myself but the team too, and this has helped as a team-building exercise.

Looking back, achieving what we did in nine days has presented us with a lot of opportunities; we were featured in the local newspaper and it led to attracting some more investors.

YPN: Where are you based geographically? Do you only invest in that area or do you go further afield?

Paul: For auction purchases we try and stick to a radius of an hour and a half from where we live in Surrey. However, if we do find a property further away, we don't discount it. Instead, we try to take it into account when running the numbers. Our rule is to make sure that for every hour of travelling, there's an extra 10% profit.

"Having a familiar team can be a huge benefit, especially when it comes to the standard of finish"

YPN: How do you manage your projects?

Paul: We have done the project management ourselves so far, however we are planning to work closely with Martin Rapley– also a regular contributor to YPN – in future as a Project Manager. This should allow us to take on numerous projects across the South East with more investors and JV partners.

We feel we can comfortably have around four or five projects on the go at any one time. Working on this many allows us to scale the business with greater economies of scale and buying discounts. As long as the deals we find are highly profitable, we find it easy to fund them through investors and JV partners due to the high returns we get, as many potential investors have the funds but can't find their own projects.

We look at auction properties all over the UK and it's difficult when operating in such a large area to work with one particular building contractor. Over the years, we have gathered a list of around ten who will respond quickly if we give them enough notice. So, although we don't work with one select company, we often work with the same people.

Having a familiar team can be a huge benefit, especially when it comes to the standard of finish. We have the same specification in every development, from the kitchens to the colours on the walls. Everyone knows exactly what needs to be done, which means the trade teams will know what the schedule of works is likely to be, thus allowing them to make a quick start and get the job done fast and efficiently.

Some auction properties are in a really bad condition and may need some additional structural works, but once the plaster is on and the walls have been skimmed, it's just like any other project.

YPN: Who are your typical tenants?

Paul: These days, tenants are a lot more clued up on what they can and can't do in a rental property so I'm trying to de-risk as much as possible. I tend to look for people in their 30s or 40s who have some sort of an asset behind them, and they must have an income.

I also aim to get rent guarantee insurance on my properties. Many insurance companies don't offer a rent guarantee product if letting to DSS tenants.

YPN: Are there any properties you wouldn't purchase at auction?

Paul: Absolutely. I went to an auction recently where a fire-damaged farmhouse was for sale. Not only was there a huge amount of work needed, it was in an Area of Outstanding Natural Beauty and a Conservation Area, which meant that a straightforward re-build would be highly unlikely. The property sold for around £60,000 over the guide price and could be a financial death trap for an unwary developer.

Due diligence is not only about finding the good deals, but also the bad ones. Had we bought that farmhouse, we could have been tied up in the planning system for years. We'd have had to go through the full planning process and there's no doubt the council would have wanted a Grand Designs-style house due to location, which would have been very expensive and made the development unviable. It also would have tied up valuable capital and had an opportunity cost.

There's an awful lot to keep away from at an auction. I find that if a property is in an auction, it's probably there for a reason. Why hasn't it gone on to the open market for a higher value? Sometimes it is genuinely to achieve a quick and certain sale, such as in a probate case. The key is to find out the reason behind it and this is why we make an effort to talk to neighbours and unearth the history of the property.

YPN: Do you have any advice for others who want to buy at auction?

Paul: : Our process is very comprehensive, but here are a few of our tips for potentially bagging a successful auction deal.

- **It's all about the due diligence. We try to build in at least 100% profit (unless it is a simple BTL), and though challenging, it's not impossible.**
- **Don't be too desperate to buy a property. I've seen so many investors who are too keen to get started, then fail after their first one. Getting the right property at the right price is essential.**
- **Always aim to build in at least a 25% profit/equity for a simple BTL. That may often give you enough to pull out all your cash after refinancing to put down as your deposit on the next auction purchase.**
- **Stand at the back of the auction room. That way, you can watch other bidders' reactions and get an idea of whether they are determined or reluctant to keep bidding.**
- **We try and slow the auction down when bidding. We find that many bidders get carried away when bidding at auction, and by letting the auctioneer go to the second call for any more bids, it gives other bidders more time to think through and worry about their purchases. Also, if the bidding is going up quickly and people are competing against each other, bids seem to go higher faster and it's more of a frenzy. Slowing the lot down can mean paying less.**
- **We go in with three or four potential properties in mind, which means we are less desperate to make a purchase, which in turn saves money.**
- **Read the legal pack thoroughly. It's often standard to pay the seller's legal fees and there are often other clauses and issues.**
- **Find out the reason why the property is in the auction and has not been sold on the open market.**

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NOW LISTEN TO THE FULL INTERVIEW

BEHIND THE SCENES AT THE ONLINE AUCTION

HOW ONLINE PROPERTY AUCTIONS DIFFER FROM "THE BALLROOM"

There's little to compare with the excitement of an auction room. People mill around, bids ebb and flow, auctioneers preside over an occasional frenzy as a popular lot soars past the guide price.

Property auctions have been around for hundreds of years. Yet during that time, the style and format have changed very little. Technological advances have enabled buyers to place bids remotely on the day, first by telephone, then more recently via an internet platform. But the principle of auctioneer and audience in a large room, even when part of that audience is dialling in from a distance, has not evolved so much.

Over the past few years, however, technology has marched through the property world at a rapid pace and the auction platform is no exception. The online-only auction has become a viable alternative to the physical auction room for both buyers and sellers.

Bamboo Auctions is one of the new breed of auction houses that hosts these online-only auctions. Bamboo has been up and running in its current form for three years. It was set up by former corporate lawyer **Robin Rathore**, following his personal experience of trying to buy a property at a regular "ballroom" auction a few years ago.

After accumulating some savings and finding a suitable property, Robin had turned up on the day all set to buy. He registered and proceeded to bid for the lot, and although he didn't win, the whole auction process turned into a valuable learning experience.

To him, the process felt inaccessible. It is true that the environment can be daunting for first-time auction-goers and he also thought the system quite archaic in that it doesn't allow for people with work commitments (or other location-dependent ties on their time) to bid easily. Bidders have to take a day off, travel to the venue – which can be quite a long trip – then might have to wait a few hours before their lot comes up. After all that, there's no guarantee they're going to get the property, so they leave disappointed.

In particular, Robin found it surprising that no-one noted a bidder's intentions on the day. Although people had to register to attend and bid, there was no follow up after the event if they did not succeed in getting the property they were after. As we live in an era where you expect some sort of data capture and follow up, after giving the experience and the process some thought, Robin considered there was an opportunity to channel and connect people within the auction process more effectively, by transposing the auction mechanism to an online platform.

Robin Rathore

HOW IT WORKS

In essence, the online auction follows the same principle as the ballroom auction – buyers bid for a lot that is for sale. The differences lie in the fact that whole process is carried out remotely, the time period for the sale of the lot is longer, and the sale transaction at the close of the auction is done online.

Lots are listed by estate agents and/or auctioneers. Bamboo Auctions does not deal directly with vendors as they are not an estate agent or auctioneer. Rather, they have created a technology platform that enables the agents and auctioneers to run the auction through their own websites with their own branding.

BUYING AND SELLING

In order to place a bid, buyers have to:

- **register on the site with an email address and create a password**
- **verify their identity using electronic ID checks; if these fail, the Bamboo team follows up with more stringent checks**
- **enter their payment details following ID approval**

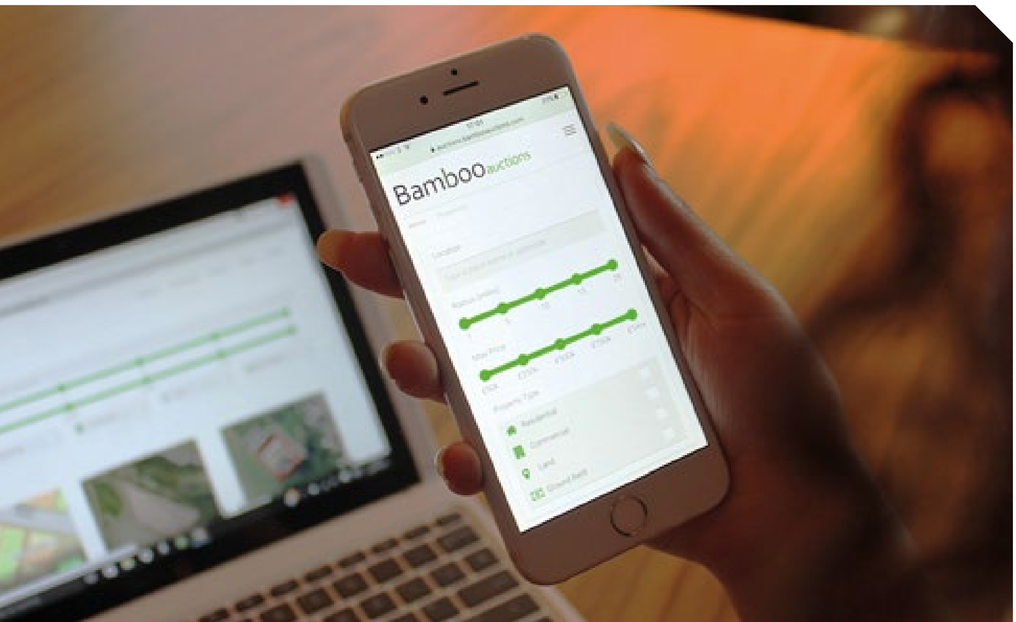
Buying at any auction demands a great upfront commitment, so the transaction fall-through rate is dramatically reduced. In an online auction, the winning bidder is instantaneously charged a holding deposit or reservation fee depending on the type of property. It takes less than a second.

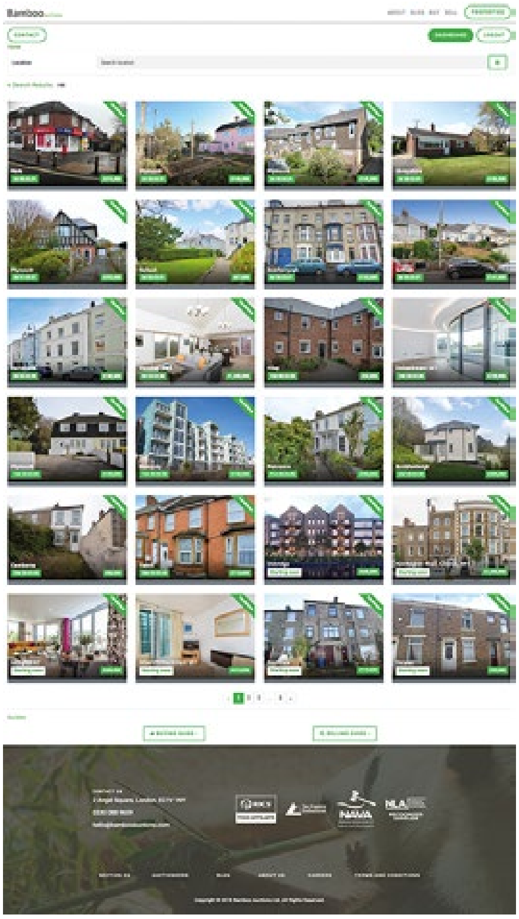
Bamboo hosts two types of auction:

- **Immediate exchange: contracts are exchanged immediately when the timer reaches zero and the reserve has been met or exceeded**
- **Reservations: the buyer pays a deposit to reserve a property for a certain amount of time – in essence, it's an exclusivity period prior to exchange**

Both methods incur a buyer fee, which is set by the estate agent. Reservation fees are usually a minimum of £5,000 plus VAT; immediate exchange fees are usually £2,000 plus VAT, or £1,000 plus VAT if the property is under £40,000.

If the buyer pulls out for any reason, they will lose their fee. In the case of an immediate exchange, they would also still be liable for the full purchase price. The rules of commitment are the same as for traditional auctions and purchases – once you have exchanged, you are liable.





Also like traditional auctions, buyers must do their due diligence before placing a bid. The legal pack and all relevant documents are uploaded with the listing, so buyers have plenty of time to go through them, have them checked, visit the property and get any surveys done.

The benefits for buyers

The benefits of online auctions for buyers are similar to traditional auctions. You eliminate the risk of being gazumped, there's certainty at the point of sale, there's more transparency and it's a perfect way of finding the true market value.

Speed, certainty of transaction and transparency always make for a far less stressful buying process. The level of transparency is even more evident online as the bidding process is much slower and it is visible. Buyers have time to think because the process isn't as rapid as ballroom auctions, while the stated end date/time removes the uncertain, open-ended nature of non-auction sales.

Observing buyer demographics has been extremely interesting, and not entirely what Robin initially expected. Core buyers are investors, mainly because they have the cash available. But as the platform gains traction, Bamboo are starting to see more first-time buyers, as well as people who have cash but who have never bought at auction before – the first-time auction-goers.

The benefits for sellers

The top reasons for selling at auction are, as for buyers, speed, certainty and transparency but speed and certainty of transaction tend to be much stronger for sellers.

The seller does need to be realistic about the price though, certainly the starting price. Properties need to be priced at a level that is attractive to buyers – no-one will place a bid if the price is too high.

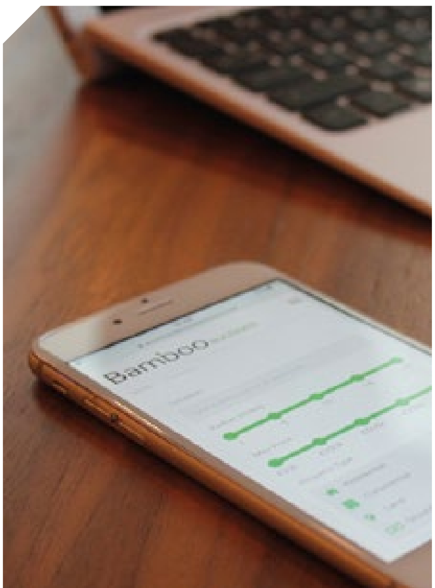
As with offline auctions, the seller sets a reserve price. The rules are the same: the reserve price must be no more than 10% higher than the guide price, and if the reserve is not met, no transaction takes place.

A buyer can still put in an offer and try to negotiate after the event. Where that happens, there's usually a conversation between buyer, seller, agent and Bamboo. When buyer, seller and agent reach an agreement, the agent relists the property on the auction platform so the buyer can place the bid, and the transaction goes through online as it would for an open auction. This is in fact much faster than doing it outside the process because Bamboo handles the payments, ID checks and so on.

> "With regard to duration of the auction, the seller usually sets the timeframe, so they have more flexibility than with other sales methods"

Selling by private treaty might take six months, and it might take six weeks to get into a ballroom auction. An online auction, however, can go live as soon as the sellers have the legal pack and information ready.

The fastest auction Bamboo has ever seen through their platform was finished in 15 minutes. But in that situation, both seller and buyer were ready and all the documentation was done.



There are no additional fees for sellers beyond their contract with the agents. They do have to fund the legal pack, though, which usually costs around £300-£400.

SUITABLE PROPERTIES

Online auctions, or any auction for that matter, won't be the right medium of sale for every property. Estate agents should advise their vendors of sales methods and the best approach for their property and circumstances.

Robin told us that when Bamboo first started, the listings included a lot of "fixer-uppers", properties needing renovation and development opportunities. These still come through regularly and remain the core of their business, but they do now see a more diverse mix of properties. There are more plots of land being listed, along with what one might call "normal" properties, such as penthouse apartments and flats. These are attractive to buyers as they're often offered at 10%-15% below what they would be on the open market.

A definite advantage of online auctions is that buyers can participate from any location, which is a big benefit to the sellers as well. Someone interested in bidding for and buying a property is not tied to an auction day, but can continue to bid if they're away on holiday or have other commitments.

Ballroom property auctions are unlikely to disappear any time soon but there's little doubt that online auctions can be a less stressful introduction to this method of purchase. While it's still important to do all the research and due diligence up front, the longer timing is, perhaps, more forgiving in that buyers have a bit of time to think before placing the next bid. This is particularly important for those who are liable to get carried away, and it also takes the pressure off because you don't feel that the auctioneer – and the rest of the audience – is turning to you in anticipation.

While an online auction may lack the thrill of the auction room, it offers a practical alternative for selling and buying property. Which has to be a good thing for any investor.

Bamboo auctions

CONTACT

Website: **bambooauctions.com**

Email: **hello@bambooauctions.com**

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RANT LEGISLATION

WHAT'S THE POINT IF NO ONE IS POLICING IT PROPERLY?

Part of my displeasure this month is to highlight the lack of enforcement of the innumerable policies and bits of legislation that roll off the government or local council's conveyor belt. So, what am I going on about? Honestly, what's the point of introducing more and more legislation, some of which is draconian at best, if there is going to be little tangible follow up and enforcement?

I am in strong agreement with some of the legislation that has been introduced in the last 10 years but often see little evidence of effective policing. Let's start with mobile phones.

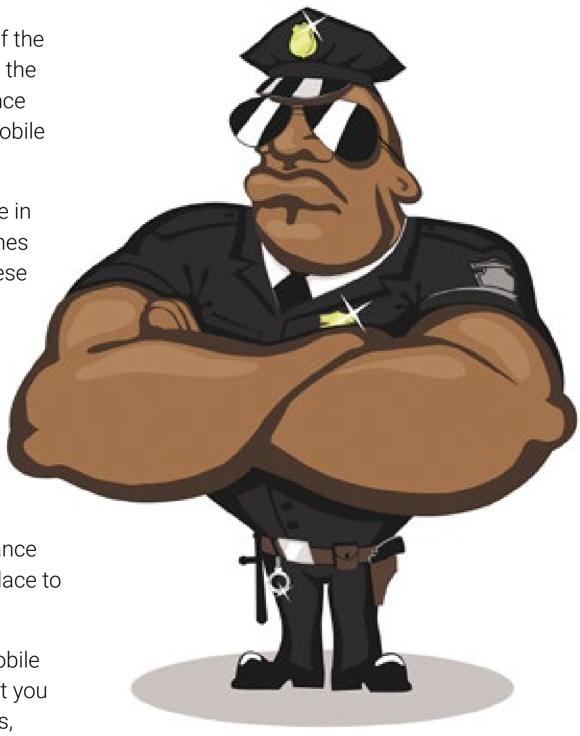
The worst thing is that I've seen people in Mercs, Range Rovers etc on their phones and I see this constantly – most of these people have newish cars with Bluetooth, so I'm not sure why there is such a reluctance to use the available technology. The government has increased the penalty from three penalty points to six plus fine. However, I never hear of increased prosecutions or campaigns on TV to give any reassurance that there is any effective policing in place to snuff out this awful distraction.

Whilst I was looking into the use of mobile phones whilst driving, I discovered that you can use the phone for recording videos, taking photos etc (recent case). Sorry, I can't help researching as I used to be a research scientist. Anyway, the above use is permitted under current legislation but it's an offence to use a mobile **"to perform a two-way interactive function"**. That's an amazing loophole which needs closing.

Last year, I pulled up alongside someone at the traffic lights – he was on his mobile and looked across at me. I made a hand gesture signalling his use of the phone at which point he wound his window down, shouted some expletives and told me to "mind my own business"! Lesson learnt. I now mind my own business.

Just a few weeks ago, someone was behind me for several miles and I could tell in my rear-view mirror that he'd made several calls, looked like he was texting or maybe he was communicating with his Facebook followers to tell them he was driving to McDonalds for lunch. Mind your own business Raj!

It's always obvious to me if someone in front is texting or posting as their head is bobbing up and down. True, they may have a medical condition in which case there are a lot of sufferers out there. However, coming from a scientific background, I reckon this disease is contagious, so I have thought of a catchy name – how about Bobbitis™



Anyway, enough about phones. My own neighbourhood has seen the appearance of a large rectangle painted red with a large white drawing of a bicycle in the middle. It has randomly appeared on the road at an approach to a traffic light junction. Who at the council has decided to use taxpayer's money to have this etched into the road and has left the local population to guess what it means and why only this junction has been targeted? Why don't they slap one of these on every traffic light junction?

I think it means that when the lights are red, cars mustn't encroach into the rectangle as its "reserved" for bikes. Most people are ignoring it and you've guessed it – no one is policing encroachment, but I am expecting an increase in my council tax bill. Dear council, if you are going to use taxpayer's money to undertake such works, you need to have a plan for enforcement, otherwise it's just a coloured rectangle with a white image of a bike.

On the property front, some of the bits of legislation are logical but toothless, as no one is following up or policing. The first example is EPCs. From what I remember there is a period of grace if one is advertising a property for sale or rent in which to display the EPC. We have an EPC on each of our rental properties and as we self-manage, it's our responsibility to upload it when advertising online through a third party.

The thing is, many of the "amateur" third parties don't always insist on it and I have to admit that on many occasions I have inadvertently failed to upload it. The government police have never, ever contacted me to express their displeasure and issue a warning – I doubt if this ruling has ever been enforced?

Something I have touched on before is that letting agents or landlords who move tenants in are legally required to check that smoke alarms are operational on the day of move-in and in the presence of tenants. There are plenty of ASTs in circulation but has anyone done an audit to check for compliance? Unlikely. It's just a case of another ill-thought through policy with no teeth.

I'm running out of space, but I want to add that the same lack of policing applies to other policies including the immigration check that is Right to Rent and the ridiculous How to Rent Guide.

I think I'll finish on the excitement that is GDPR. What an overkill. Who's complying, who's policing and who's getting prosecuted? I still get regular unsolicited calls – who should I complain to and will it make any difference? Recently, someone who shall remain nameless wanted to connect with me on Linked-In – I obliged and they seem to take my "accept" as a divine message that they could start emailing me about their personal development courses – err, when did I opt in?

RANT OVER

Raj

YOUR PROPERTY PROJECT

STUDENT HMO NETS £2K+ PER MONTH

Interview & words: **Angharad Owen**

ULTRA-MODERN CONCRETE FINISH IS HUGE HIT WITH TENANTS

When ex-electrician Alex Riddick posted his project on Facebook, a lot of questions were swimming around in my head. What was the inspiration for the décor? Who was it targeting? As I found out, there was much more to the story than just the interiors ...

BACKGROUND

After leaving school, Alex worked as a full-time apprentice electrician until he received his gold card – an industry-wide certification means that he is fully qualified. Having grown up and worked in Liverpool, he wanted the opportunity to earn more money. He moved to London to work on large developments for several years.

The project that sparked the interest in property investment was a big £1bn post-graduate student village being developed in Cambridge.

Several companies working on the site were going bankrupt and laying off workers due to complications with the build, and too-small contingencies. He eventually realised he had to find a way of working without the fear of losing his job. Unsure how, he knew he wanted to work with student properties.

Working on the large developments allowed Alex to see how investors were doing it on a large scale. He decided to go home to do the same, but on a smaller scale.

As soon as he moved back to Liverpool, he started researching areas. As he had grown up in the city, he knew where students liked to live and focused on an area within walking distance to the city centre.

In 2016, he bought his first house, which he then converted into a student HMO. The house was on Empress Road, which became the inspiration for his company's name – Emperor Holdings.

Since then, the business has grown and their style has evolved. Alex still invests in the same area, although he has taken on a few properties in other student spots. Over the past three years, Alex and his company have become highly regarded by student renters.

THE PROJECT

The purchase

The house we're looking at this month stands out the most in Alex's portfolio. He found it by marketing directly to potential vendors. ***"I don't go through the market or agents now because there's so much competition."***

Every two weeks, he sends a letter to 587 houses asking homeowners if they are interested in selling.

Before beginning his marketing campaign, Alex would walk the streets and take note of any houses that looked promising. He had noticed this property as it had bedsheets hanging in the wooden windows, and the building looked like it was falling apart.

"It was in an ideal condition for me!"

Following on from a campaign, he usually receives a couple of leads and meets with the owners.

In October – on his birthday – Alex received a phone call from the owner ofone of the properties that he had targeted. The owner was an investor living in London who was looking to sell the house in Leopold Road, and he asked if Alex was interested in coming to view the house.

Within an hour, Alex met up with him at the property. It was in a bad condition as it had, until recently, been home to illegal immigrants. Alex and the owner agreed on a purchase price that day.

156 LEOPOLD ROAD
LIVERPOOL, L7 8SS

Type of property	HMO: terraced house, 6 bedrooms, 3 bathrooms.
Relevant history for the property	Originally a 3-bedroom, 1-bathroom, basic terraced house.
Purchase price and method	£85,000, sourced direct from vendor
Open market value	£135,000
Purchase costs	Stamp, legals, broker fee, valuation fee, arrangement fee = £8,083
Funding	£63,750 bridging loan for purchase, cash for refurb.
Deposit paid	£21,250
Borrowing rate(s)	0.99%
Monthly mortgage/ funding payment	£631 pcm
Total money in:	**£29,333**
Personal money in	**£29,333**

In his chosen area, £130,000-£150,000 is considered a good price for a house. The vendor was happy on anything above £80,000 – well below market value – and they agreed on £85,000 with the stipulation that it was sold with vacant possession.

Although the negotiation process was effortless, the actual purchase of the property was not. They didn't complete the purchase until the following February, with one of the reasons being that the vendor's solicitor ***"was very old school. He didn't use email, and all correspondence was done via letters."*** Usually, Alex recommends a good solicitor to make the sale as quick as possible.

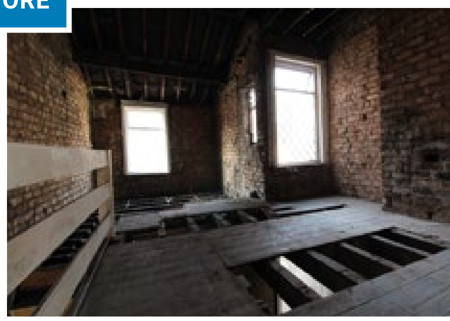
Necessary works

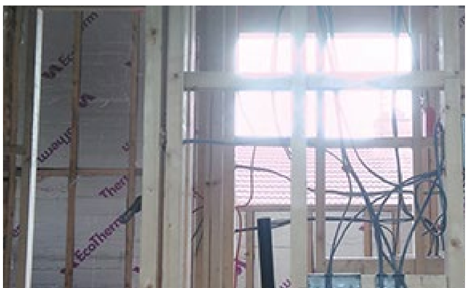
The property had serious damp problems, alongside acute subsidence. Most of the houses in the street had also suffered from subsidence many years ago, but this case was worse than usual. After stripping the property out and going back to brick, he realised that there was a crack snaking up to the roof from the ground floor, and the gap was three inches wide at the top.

As the plaster had no cracks, this indicated that the subsidence was from approximately 40-50 years ago.

"In the old dining room, you could see the floor was tilted to one side." He allowed plenty of room in the budget to fix the issue, but also included a contingency fund as the extent of works needed was unknown.

BEFORE





To rectify the subsidence, he needed to underpin the building on one side. Emperor Properties have their own build team, which enables them to do this type of work at a fraction of what it would cost someone else to do it.

The underpinning worked by linear metre, and they needed seven linear metres, because the subsidence went into the centre of the house. They could in fact have left it and nothing would have happened – because all the movement had happened already – but Alex preferred to continue with the works as a precaution as they were planning to keep the house for the long term.

"It doesn't matter to us what it's like inside, because we take everything out. We take all the floors out and when you come through the front door you can see the pitch of the roof. The only thing remaining is the four walls of the property. We're only buying the site, not the house."

Most of the refurbishments for properties in their area are identical. They range from two bedrooms to three bedrooms, but are the same size inside. Generally, cost of works are similar from one house to another.

Having done several other properties in this area before this one, he had a good idea on how much the works would cost. ***"When we look at properties to buy, we don't look at how much it will cost, but at how much we will save."***

From his guide price for the works, he calculates backwards, subtracting the total cost of anything that isn't required. This process allows him to immediately stack a deal and put in an offer.

This property was originally a three-bed house with one bathroom, and Alex converted it into a six-bed with three bathrooms.

He found the additional space by lowering the floors to allow more space in the loft for two bedrooms and a bathroom. He also added a dormer onto the back room and a single-storey extension on the ground floor. The additional space provided a large open-plan communal living area, which was more suited for six people than what was there previously.

"Taking out all the floors and installing new ones at a lower level allows me to maximize the site."

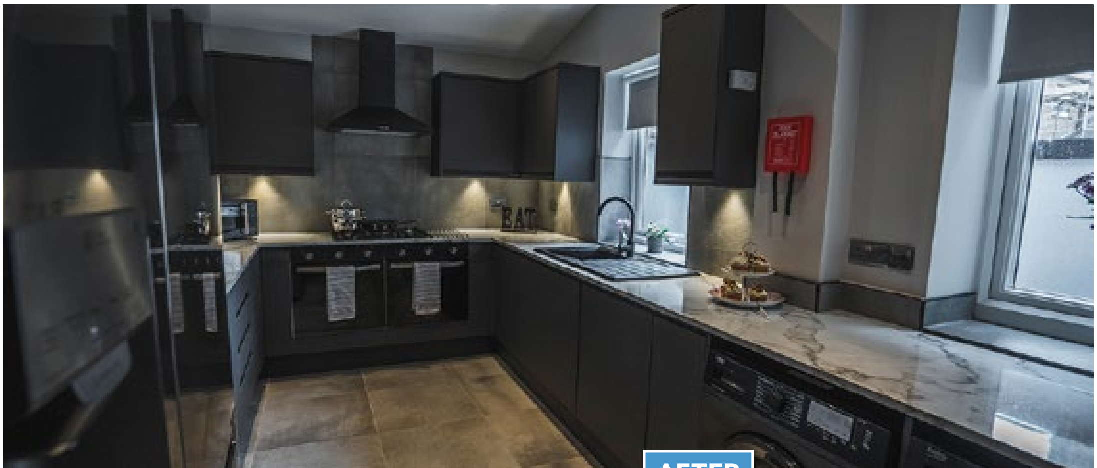
The third bathroom was an afterthought. ***"I wanted to mix it up once we got into the works. We had the space and were in the position to do it, so we put in another one downstairs."*** Many of the other student properties in the area had only two bathrooms.

"You'd be surprised how much space you gain in the loft when the floors get dropped."

Build teams

Over the years, Alex has developed his build team by using connections through his previous work as an electrician. The team works well together, which makes for a stress-free site.

His former job involved working with several tradesmen at one time. There are meetings and discussions every day, particularly on large sites, and part of his role was to manage a team of up to 150 other electricians. This responsibility gave him a lot of experience of managing teams, which he utilised in his HMOs in Liverpool.



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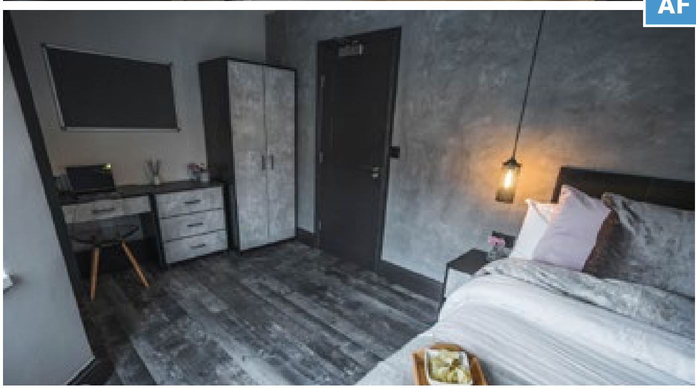

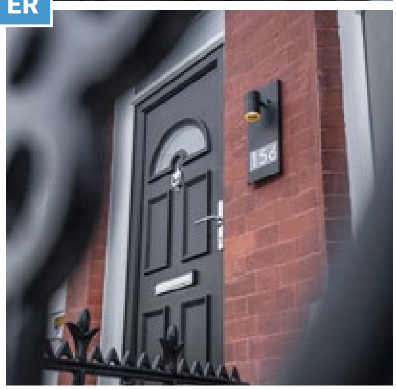

COST OF WORKS

Project duration:	**4 months**
Architects fees:	**£500**
Building control:	**£500**
Preliminaries:	**£3,600**
Skips:	**£2,165**
Site prep and demolition:	**£1,964**
Substructure:	**£2,840**
Drainage and incoming utilities:	**£1,080**
Structural works:	**£17,346**
Superstructure:	**£14,303**
Doors:	**£1,379**
Windows:	**£2,790**
Roof:	**£5,381**
Plumbing	**£7,312**
Electrics:	**£4,221**
Flooring:	**£1,570**
Decoration:	**£3,929**
Kitchen – units, taps, worktops, etc:	**£4,883**
Kitchen appliances:	**£2,442**
Bathroom – showers, sinks, toilets, taps, etc:	**£2,316**
Floor & wall tiles:	**£2,884**
TV & WiFi:	**£1,304**
Externals:	**£922**
Key system:	**£256**
Alarms / CCTV:	**£300**
External lighting:	**(Already in Electrical works)**
Blinds / curtains:	**£463**
Beds:	**(Included in furniture cost.)**
Furniture:	**£5,444**
External furniture, cigarette bins, etc:	**£40**
Total costs	**£92,134**

VALUATION & INCOME

Post-works valuation	£250,000
Re-mortgage amount	£187,500
Rate	3.75%
Monthly back out	£120,975
Money left in	£492
Monthly income	£3,000
Bills included	Yes
Monthly mortgage payment	£586
Monthly costs:	£993.50
Net monthly cash flow:	**£2,006.50**
% Return on money left in:	**4,893.9%**

"In construction, you have to speak in a certain language when you're speaking to builders/tradesman, and a lot of people in property will fall out with their builders because of that."

Alex's advice is not to tell the build team what to do, but to ask them. This will give them a chance to have an input, an incentive to work and put a bit of love into the property.

"I've generally already made the decision and the materials have been organised for the task in hand, but I always ask them what we should do, so they get more involved with the project."

He also has a full-time project manager who is responsible for day-to-day operations on site. However, Alex was at the property often to ensure that he was getting the finish he wanted, and to make small changes where necessary.

They had a tight deadline on this property to meet the demands of the student market. Two tenants wanted to move in on the first of July, giving Alex only from mid-February to the end of June to build the extension and dormer, rebuild the floors and create a high-quality product. ***"The first two-and-a-half months of the job ran smoothly; it was only towards the end that people started to get on top of each other a little and tempers started to show."*** It was at this point that Alex noticed the quality of the finish was starting to slip. He had to step in to calm the team down and ensure it would meet his high expectations.

"We had the lads sweating to get it finished in time for the students to move in." Despite their efforts, they didn't quite make the deadline and the tenants moved in a week later than planned.

Décor and finish

Alex decided to do something different from his usual rustic décor in this property. His past houses had grey coloured bedrooms and exposed brick throughout.

"I decided I wasn't doing brick anymore. Every time you go anywhere, everyone is doing brick effect walls. I wanted to do something else, while keeping the raw material feel to the house. So I went with concrete."

Part of his idea was to devise a textured feel for feature walls in the bedrooms, but every manufacturer and supplier was over budget. He needed to find a way to do it cost-effectively.

Along with his team, he mixed some building materials to create a concrete-style wall covering, and the colour scheme started to take shape.

"You're drawn into an atmosphere where you just feel cosy. Our tenants say it doesn't feel like they should be living there because it's like they're living in luxury all the time!"

People often assume that a high standard of décor will be costly to maintain, but it isn't. Alex says that regardless of colour, the walls will still need to be touched up. It will still be a labour-intensive job, which is where most of the cost goes. His paint will only cost a few extra pounds per tin.

"What we tend to find is when people come and see the respect we've given to a property, they give it back. You attract a better person into the house, and they genuinely look after it."

Tenants

As a consequence of the prolonged buying process and having less time to finish the project, Alex had to market the property later than planned.

When he started marketing it to students, it wasn't finished and he had to attempt to explain to potential tenants what it was going to look like. He couldn't show photos as it was a different interior concept to his other houses. Many were put off the idea of concrete inside and couldn't visualise the end look.

By the time it was eventually advertised, it was late in the student year. In spite of this, however, it was let within a week. ***"I think I could have filled three of the same property at the same time within that week. The demand for this finish is high, people want quality."***

Ideally, he prefers to let the house to a group of friends rather than let the rooms separately. He finds that there is more stability with students, and they will usually deal with any issues or disagreements between themselves. This property is let until June 2020, and in November Alex will re-market the property to have another group signed up until June 2021. ***"With students, you've got the ability and structure to plan ahead with no voids."***

Compared to renting on a room-by-room basis or to young professionals, there are fewer void periods and tenant changeovers.

Location

The property is in a conservation area. However, most of the regulations only apply to the front of the house, so the regulations aren't that limiting. ***"Because it's a conversation area, the front elevation of all the properties have to be the same. It's all cobbled streets and old street lights, but the back of the property comes under permitted development."***

Student houses are common in the area, so there are few problems with neighbours. Most issues arise during the building phase of refurbishment. To minimise any potential dissatisfaction, Alex sends letters to the neighbouring properties to let them know when the works will be starting, and explains that there will be some noise within working hours.

Some people have lived in the street for decades, and they're often interested in how the houses are being used. ***"We get to know them, and we bring them into the house and show them. They love seeing what's going on and how it's getting done. They also love the end finish!"***

FINANCIALS

Alex bought the property for £85,000 and received a bridging loan for £63,750 – 75% of the purchase. He used cash raised from other properties for the deposit and refurbishment.

It was revalued at £250,000 on a hybrid product based on bricks and mortar and commercial valuation. If it had been valued purely on commercial figures, the figure would have been around £280,000, based on the current rent.

Upon refinance, Alex managed to pull out £120,000, leaving only £492 in the deal.

Rent per room per month is £500, working out at £115 per person per week, which is 20% above the average for the area.

KEY LEARNINGS

"One of the things I did learn was to try and outsource more." By the end of the project, he was very involved, because he was passionate about the finish, which he plans to replicate in future properties. ***"I'm the type of person who needs to see every detail and to make sure it's right."***

He wants to work on having more trust in the team around him and to step away to let people do their job. If there is an issue, he can deal with it if and when it materialises.

"I will give the next door neighbours more information about each stage of the re-build." Towards the end, the students who lived in the house next door were complaining a lot. However, when he started to explain to them what was happening and getting them involved, they understood.

FUTURE PROJECTS

He has three student property projects that will be completed by Christmas. As student lets are tied to the academic year, Alex has a potential six-month void until July 2020. In the meantime, his plan is to either let them to young professionals on a six-month contract or to set them up for short term lets in the interim. Either would generate enough income to cover the costs of each house.

"Every time we do a property, we find little things to improve and make small adjustments to make each one slightly better." For example, in one of their newer properties, he plans to install surround systems in the whole house, not just downstairs. In another, he plans for all the bedrooms to be en-suite. He doesn't want to compromise room size, so he plans to lower the floors again and rework the loft space, allowing the rooms to range in size from nine to 11 square metres.

Over the years, recent graduates have asked if they provide accommodation for young professionals. He plans to move into another phase to let to any tenants who have graduated and want to stay in the city, but remain living in the luxury properties that they provide. He is negotiating on a few sites in areas popular with graduates and young professionals so his tenants can have the option to move across after finishing in university.

GET IN TOUCH

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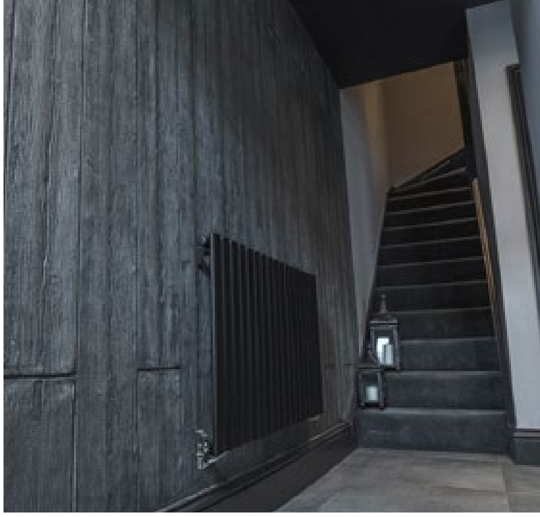


NOW LISTEN TO THE FULL INTERVIEW

IS BTL A WORTHWHILE INVESTMENT?

Wizard Properties

Luke Brindley

BACKGROUND

Luke Brindley has been investing in property around Hull and East Yorkshire since 2011. Alongside his property investing, he's a full-time engineering consultant, working in oil, gas and renewable energy.

"The ultimate goal is to get your monthly income from property to a point where it supersedes what you're earning in a day job."

He's fortunate in the sense that the work he does is well paid, but it is also a restriction. ***"I sometimes think that if I didn't have that tie, then maybe I'd make the jump sooner,"*** he says.

Balancing investing with his full-time job is hard. However, because it's something he enjoys doing and can see the long-term benefits, he sees it as one of his hobbies. Most of his spare time is spent viewing properties, assessing deals or talking to vendors. ***"I'd love to be able to dedicate all my time to it,"*** he admits, ***"because I know if I had the opportunity to do that, then I'd grow even faster than we have so far."***

Let's rewind a little. Luke grew up on a council estate in Hull, where it was common to not own property. He started playing rugby, where he met people from different areas and backgrounds. Through the sport, he travelled around the country. Luke says: ***"I was fascinated by other people's parents – where they lived and how come they lived in these types of places."***

"Don't get me wrong, I had a great childhood. But I found it interesting how people ended up in different places, and why some people lived in big, fancy houses and yet we lived on a council estate."

Having these thoughts while growing up planted the seed to explore why people lived in certain ways, and why some seemingly had more opportunities than others. Or how they made the most of opportunities presented to them.

He left school at 16 and started working soon after, determined to buy his own house. ***"But as you do when you leave school and you start an apprenticeship, you haven't got a lot of money in the bank."*** Instead, he spent hours longingly looking at properties with no means of actually buying anything. ***"I'm not quite sure if I can actually pinpoint why or when I became so interested in property, it's just something that's been there for as long as I can remember,"*** he says.

THE FUTURE OF BTL

Like many others, Luke had no formal property education prior to getting started in property investment. He learned how some would consider the best way – jumping in at the deep end. Now, he realises that his strategy is well-known: buy, refurbish, refinance. He fell into that strategy by default, because he began working with a limited budget.

There are some who consider that the BTL strategy is no longer viable in today's climate.

> "The more people who think it's dead, the better for me!"

There are a lot of strategies out there – rent-to-rent, SA, etc. They all provide instant cash flow, and people are doing very well in those fields. However, Luke has decided that he's in it for the long term. The introduction of Section 24 was an obstacle for investors to overcome, however there is always going to be a demand for tenants for single lets.

His typical tenants are working families. They're looking for a place to call home and will live there for a long time. Most of Luke's properties are in densely populated areas, and as he buys properties that need a full refurb, his tenants are getting a new home experience that they potentially wouldn't get elsewhere. They love their homes and as a result, he has very little tenant turnover.

Luke allows them to decorate the houses too, within reason. At first, they are asked to keep it as is for a period of six or 12 months. If both parties are happy with each other, and it looks like they're going to stay for the long term, then he's happy for the families to add their own touches.

"At the end of the day, it's their home," he says. ***"If they're more comfortable be adding their own touches to it, and it means they're going to stay longer, then so be it."***

CASE STUDY SEVERN STREET

Luke bought the house for £62,000, a whole £53,000 under the original marketed price of £115,000. It was a three-bedroom terrace, and adjacent to the property were six lock up garages that were part of the same deeds. ***"It was an eyesore, because the majority of the street had started using the garages as a dumping ground for their waste."***

The property came with full planning permission for two new builds in place of the garages. But based on the property's location, Luke didn't think there was much appetite to take it on, especially at the purchase price. However, he monitored it for a few months.

Eventually, it was offered at auction with the guide price of £75,000. At that amount, he started to think that he could make something work. ***"For some reason we weren't able to attend the auction. I remember waking up the next day thinking that I'd missed out."***

He got in touch with the auction house to see how much it had sold for. Fate must have been on his side, because he was told that the property was still available.

The seller was keen to sell, as they were based in London and wanted to concentrate their assets more locally to them. Luke made a few offers and after some negotiation, they finally agreed at £62,000. At that point, he hoped to develop the land, build the two properties and retain the three houses for his portfolio.

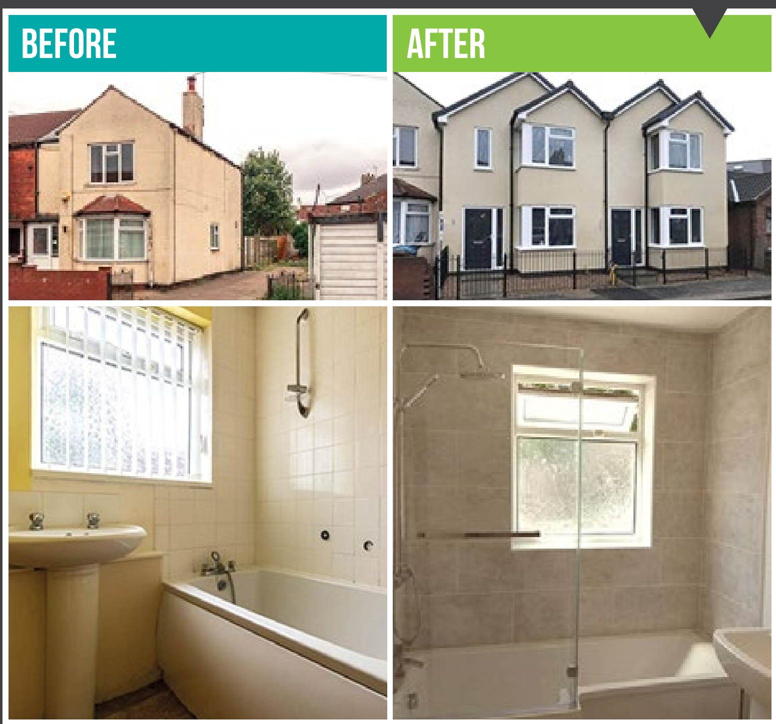
Builders quoted for the works, and after some deliberation Luke wasn't 100% sure that the new builds would be worth the time and effort. Compared to the price that they had paid, the projected margins weren't good enough.

He decided to split the title, and sold the development plots for £35,000 – close to the anticipated profit if they had gone through with the build. ***"We probably could have got a little more, but there was an option to offload the land quickly, get some profit back in and move forward."***

The builder who had initially quoted for the new build bought the plot, and one of the stipulations of the sale was to let Luke follow along on the build and to learn about the process. They have now met up several times, and there is potential to work together on some joint ventures in the future.

He utilised bridging finance to purchase the property, and the sale of the land repaid the loan. After repayment, he was left with an unencumbered property. The refurbishment of the house cost around £11,000, and it was revalued at £85,000. He pulled out around £25,000 after refinancing.

"If I could find one of those every couple of weeks, I'd be happy with that."



CASE STUDY ROSMEAD STREET

This property was in Luke's primary investing area, so he knew the vicinity very well. To assess a property, he has a deal analysis spreadsheet which enables him to evaluate a deal within two minutes. According to the spreadsheet, the top price Luke could purchase the house for was £64,000. As it turned out, he managed to buy it for £57,000, giving him a good margin.

Based on sold comparables, he's looking at an end value of £95,000. ***"We don't work off properties that are on the market for sale, or any other data really,"*** he advises. ***"We just work on sold comparables, because that's the ultimate proof that properties in the area are selling for that amount."***

He doesn't go over the top with the refurbishments to attempt to push up the street's ceiling price. He has a similar standard across all his properties, and he usually gets the value he's expecting. The house looked like it hadn't been touched since the 1970s, and it had been owned by the same family by 1922. It looked like it needed a lot of work, but it already had central heating and a new boiler. He had originally planned for the refurbishment to be £11,500 with a contingency. The total cost of the works came to £12,500, so it was as expected. As always, Luke will be carrying out a full post-project review to determine what improvements can be made in the future.

It needed a new kitchen, bathroom and a complete refurbishment. Many of the windows at the rear of the house needed to be replaced as they were all single glazed. On the whole, although the decoration inside was very dated, it had actually been a fairly well-kept property.

BEFORE

AFTER

CASE STUDY
FRODSHAM STREET

"This was a little bit outside of our goldmine area, and I was a little apprehensive about taking it on, because on the face of it, the area wasn't quite as good as we usually invest in."

However, the purchase price persuaded them to take it on. Luke secured the two-bed property for £33,000, down from the market price of £42,500. The figures stacked up really well, so he thought he'd give it a chance.

"If you can get direct to the vendor, it's a great opportunity to find out why they're selling the property and what their need is."

The vendor had lived there for some time, and had originally paid £8,000 for it. He had retired and wanted to move back to Wales to be closer to his family. He told Luke that he would be open to offers, and potentially could do a deal. The negotiation was straightforward, and Luke made an effort to build rapport by going back to the property two or three times after the first meeting.

After purchase, the refurbishment cost around £10,000, which took him to a grand total of £43,000. It was revalued at £60,000, allowing him to pull all his money out from that particular property. It rents at £395 per month, and cashflows nearly £300 per month.

There was nothing wrong with the property from a structural point of view. Inside it was dated and didn't have central heating. ***"It was just a case of bringing it up to standard for our portfolio."***

It has ended up being one of his favourite properties.

ADVICE FOR OTHERS

"In property, people will tell you you're making money when you buy, and that is true. 100% fact. You'll also make mistakes. I've made plenty."

Buying a property at the right price allows some margin for mistakes. Everyone needs to remember that making mistakes isn't necessarily a bad thing, as long as it doesn't hurt financially or restrict any chances of future investment.

It's also important to understand the numbers before getting started. ***"Understand what you're willing to purchase a property for and you need to know what the end value will be.***

"That's your starting point. If you get your numbers right, then you're a long way to making a success of it."

GET IN TOUCH

"I enjoy talking all things property, whether it's speaking to people just getting started or people further along their journey than I am."

Facebook: **Luke Brindley / Buy To Let Wizard**

LinkedIn: **Luke Brindley**

NOW LISTEN TO THE FULL INTERVIEW

QUICK BUILDING ASSESSMENTS

By **Mark Doyle**

We've all heard the stories and seen on TV what happens when people buy a property without viewing it first (followed by a sharp intake of breath) … and then we wait to see what they found after viewing it.

That's what it all boils down to – what issues they've found with the property afterwards … that, and how much money they had to spend on the problem to sort it out!

So the real question here is how much due diligence do you need to do? And how long will it take to do your own quick condition assessment of a property to produce a quick cost estimate for the works?

In the UK, surveys come in various guises and are usually conducted by qualified RICS surveyors, such as building assessments and building condition surveys, full structural surveys, HomeBuyers Reports, Home Condition Surveys, new-build snagging reports or a pre-acquisition surveys. The questions here are: ***do you really need one?*** And which one do you need? Costs tend to increase, starting with the most basic from around £300.

DO YOU NEED TO VIEW A PROPERTY BEFORE YOU BUY?

YES, ALWAYS!

You need to see a property before you buy it. Everyone in property has horror stories of what they found or what they had to do to sort out a problem that they didn't expect. Most of these are truly one-offs and are hidden behind a wall or under a floor, but some issues are predictable and are relatively easy to see, such as damp, rotten floors and leaking roofs.

It's vital that you don't buy the first property you see, particularly in an area you don't know well. Often, dense inner-city properties that were built together, typically using the same building method, show the same problems. For example, a Victorian terrace that had a slate damp course will most likely have the same damp issues as the surrounding 1,000 properties.

Equally, semi-detached houses of a certain age are known to have joined up guttering laid on top of the cavity walls, and have a tendency to leak back into the house. And these issues are property specific throughout the UK.

WHERE SHOULD YOU START?

Everyone needs to learn. For anyone new-ish in property, the first rule in the book is to view, view and view again. Use your senses – what can you smell? Can you taste the damp, mould or urine … or worse? Can you hear scurrying noises? Are some of the walls down the hallway slightly tacky or smooth? And what can you see growing? Are there any lumps, bumps or stains?

Whenever you can take someone with you, ideally with more experience, such as a builder or tradesman. Go to as many viewing days as other investors invite you to. Ask the daft questions … remember, we are all still learning!

If you're going to see an auction property, take a handyman or builder with you and always offer to pay for their time – they'll appreciate it. You'll learn so much. Listen to them, jot down what they say, take lots of photos and even a video that you can watch back at home.

DOES EVERYONE MISS THINGS AND MAKE MISTAKES?

Yes, everyone makes mistakes and misses things. Unfortunately in property, this costs money and the case studies in this article highlight some major ones and their cost implications.

If your emotions start to take over, you need to be careful. It's easy to get cocky and suffer from FOMO (fear of missing out). It's important to realise that some situations are positioned a certain way for a reason – auctions are always time limited, or if you're working with a vendor or agent who is pushing all the time. This perceived pressure makes us act in haste and be careless.

Obviously if you're buying in Scotland things are a little calmer, as an accepted offer is binding so you won't be gazumped. In any event, it's important to mentally step back, work through the issues and numbers, and know your own mind.

CASE STUDY 1

Austin Street

2-bedroom semi-detached cottage, c.1870

Property bought at auction in Manchester. The property was first seen a week before the auction so a week was available for due diligence, inspection of the legal pack and access to view was limited to 10 minutes.

Purchase at auction	**£56,000**
Legals	**£700**
Cost estimate for general refurb, new damp course, kitchen and bathroom	**£12,000**
AST rental	**£525 pm**
GDV	**£80,000**

Photo 1: Auction purchase with no space to insulate solid masonry gable wall

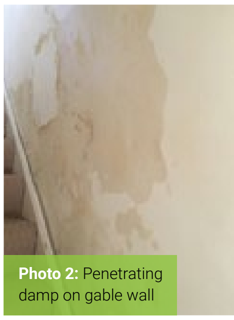


Photo 2: Penetrating damp on gable wall


Photo 3: Work in progress

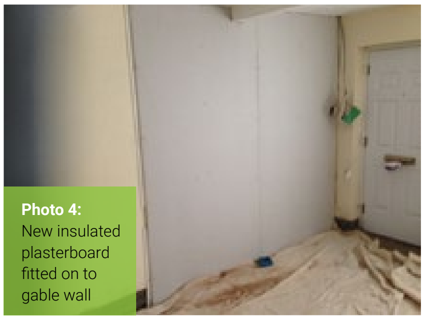


Photo 4: New insulated plasterboard fitted on to gable wall

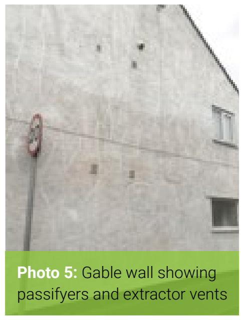


Photo 5: Gable wall showing passifyers and extractor vents

UNEXPECTED ISSUES:

Over the next five years some £8,000 (representing an extra 66% refurbishment cost), was spent attempting to prevent penetration damp coming through an old infilled chimney breast in the solid masonry gable wall. This wall has been part tanked, rendered, a new internal cavity wall had been added, six passifyer vents and a positive air pressure system installed.

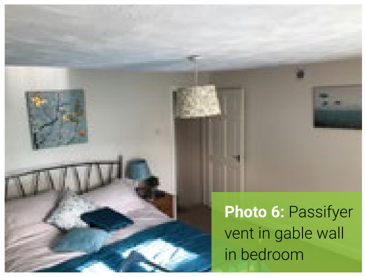


Photo 6: Passifyer vent in gable wall in bedroom

TIME IS LIMITED, WHAT CAN I DO?

Firstly, don't let all the experts confuse you. There are tons of online tools out there that you can use and everything can be found via Google. But unless you love details, it's easy to get overwhelmed by some of these spreadsheet methods online.

Get your own system set up to look at the size, layout and condition of a property. It can be on your phone, laptop or even on paper. If no floor plans are provided, you can make one yourself – you can at least do a sketch outline from Google and take it on your viewing, then refine it later.

Remember, a Basil Fawlty-esque large step is approximately one metre, so pace out your buildings and determine the floor area from the EPC register. Also, the EPC rating will give you an indication of the condition of the property before you view it.

Always get the postcode of the property and search for the full address online. Some properties have had vehicles crash into them, or have been re-built following a fire or a partial collapse into a shaft or sinkhole, and these are often in the local news.

MAKE A LIST

Put together your own condition or assessment list for the building you're looking at, preferably in a similar way that the works would be undertaken. It's a good habit to get into. For example:

- **The rip out – number of skips, how many man days?**
- **The structure – any damp or cracks? Condition of your walls? Any brickwork or pointing needed?**
- **The roof condition – chimney stack and gutters?**
- **What are the electrics and consumer unit/meter? How is the plumbing and stop tap? And what about the gas, central heating and meter?**
- **Are you happy with the kitchen and bathroom?**
- **What about the windows and doors – upvc?**
- **Decoration – walls, ceilings and woodwork.**
- **Internals – light fittings, blinds, curtains and white goods.**
- **Outside – pathways, garden, garage, gates and fence.**

When you arrive at a property, if you're lucky you will have at least 15-20 minutes, so take your time and no matter how out of character, be methodical. Follow your own strategy, look everywhere and take notes. Everyone has their own way of working, but after a viewing go and sit quietly and put your list together of all the things that you think need doing.

See several contractors, builders and/or tradesmen and go through this list with them to work out a cost. Ask them to explain why things need to be done or whether a repair would suffice, such as a new central heating boiler. Work hard to get several quotes for the same piece of work, and then you can learn from each tradesman or builder, compare both what they say and their prices.

Always ask tradesmen what their day rate is. If it is £150, and the job will take ten days, then expect their quote to be £1,500 plus materials. If it is more than expected, do not be afraid to ask why.

CASE STUDY 2

Birchfield Road

Closed greengrocers shop with flats to rear and upstairs, c. 1910.

Property bought at auction, viewing was restricted to downstairs, as the tenants upstairs wouldn't allow viewings, but had a quick look through the front door and all looked okay!

Purchase DTV	**£135,000**
Stamp duty	**£4,250**
Legals	**£1,000**
Cost estimate for general refurbishment to create 4 flats, new damp course, fire compartmentalisation, kitchens and bathroom	**£50,000**
AST rental per unit	**£475/mth**
GDV	**£210,000**

Photo 7: Shop window removal

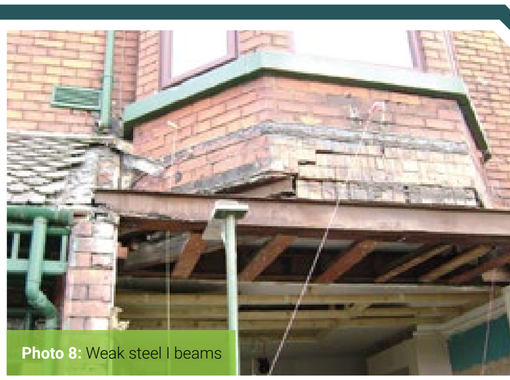


Photo 8: Weak steel I beams

Photo 9: New stone cills & lintels in bay

Photo 10: Reinstated Victorian bay

UNEXPECTED ISSUES:

Although the purchase stated "vacant" in the details, two surprised, large and heavily tattooed and pierced men were living upstairs on camp beds and looking forward to paying cash to continue in residence to the old landlord – this delayed the works by a month.

From the upstairs on the inside, it was obvious that the bay window was collapsing onto the old shop window. Sadly, this hadn't been supported when the lower bay was knocked out, so it had to be re-built, including foundations. It costed an extra £12,000 (or an extra 24%) to the refurbishment cost.

WHAT DO YOU DO WITH A LARGE BUILDING?

Again, the floor plan is a great place to start, so always ask for a copy of the layout or a copy of the fire regulations drawing. Often larger buildings will have undergone various changes in usage, so they may well be recorded on the planning portal. It may be in the council records, and historic buildings may have records in the National Archive. Always ask the vendor for a floor plan!

Irrespective of the usage of a room, you can number your drawing room by room and make notes. Always record windows and doors, columns and supports, and stud and masonry walls, as these will affect your ideas for your own floorplan usage.

Make sure you check any hidden areas such as ceiling voids, odd-shaped walls, and the loft as you may be able to fit in a whole new floor level or mezzanine.

The key with large buildings is to be methodical – room by room and floor by floor!

CASE STUDY 3

Fishergate

13 en-suite bed HMO

Property bought off market via an agent, but unable to view certain areas of the property. Although viewed on three occasions, the agent always limited viewing time. No access to the rear of the property apart from via the upstairs windows.

Purchase DTV	**£200,000**
Legals	**£1,450**
Cost estimate for general refurbishment to create a 7-flat aparthotel	**£100,000**
GDV	**£590,000**

"Although this work only cost an additional £4,000, it was an extra 4% spend"

Photo 11: View of front

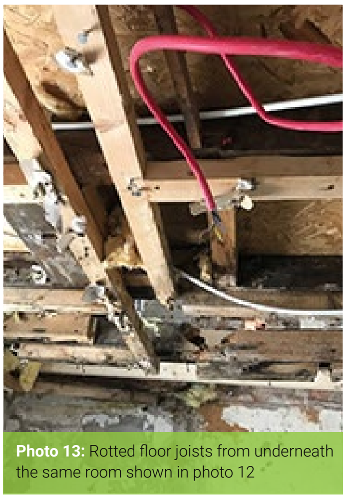


Photo 13: Rotted floor joists from underneath the same room shown in photo 12

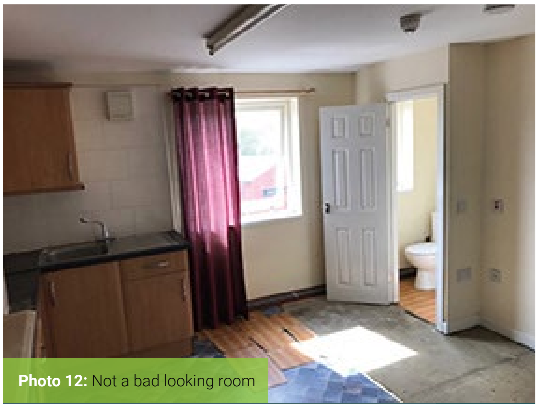


Photo 12: Not a bad looking room

Photo 14: Rotted floor joist

UNEXPECTED ISSUES

Prior to exchange, it was determined by the HMO Officer that the building was used unofficially as an HMO, as it was in the Article 4 area and would never be given a licence! Ironically, the council confirmed that it was C1 for planning and didn't need planning permission to be an ApartHotel.

During the rip out, some floorboards had to be removed and what originally appeared to be solid floor joists in three separate locations were 50% rotted through and had to be replaced. Also, two stud walls were found to be covering brickwork that was hanging on the original ceilings below. Although this work only cost an additional £4,000, it was an extra 4% spend.

HOW DO THE PROFESSIONALS DO IT?

Typically, surveyors' building assessments mean a qualitative and quantitative assessment of the general conditions of a building, usually on a standard comparative scale that can then be compared to other buildings. This will usually identify the areas that need improvement or repair and maintenance. The real detail tends to be set out by specialist building surveyors and structural engineers, who will go through a building wall by wall, detail by detail. These surveys are the most costly.

CAN WE JUST DO OUR OWN QUICK ASSESSMENT?

Yes! Most people tend to do their own walkthrough and make notes of what they see. As we learn more, we all pick up on more. Obviously, take as much time as you can get away with, and record everything you can during your 15-20 minutes.

5 TIPS FOR ASSESSMENTS

1. **Do your due diligence**
2. **Arrive early and stay as long as you can**
3. **Get or produce a floor plan**
4. **Photo/video everything**
5. **Attempt your own estimate of the works**

CONTACT

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

Mark and his wife Claire have well over 20 years' experience in BTLs, HMOs, developments and conversions. Today, Claire runs their business while Mark's chartered engineering background allows them to work on properties in poor condition.

RETROFITTING SUSTAINABILITY INTO AN EXISTING 1950s HOUSE

How an experiment to turn an existing 1950s 2-bed into a sustainable energy efficient home resulted in a thermally efficient home with a U-value of 0.2, as well as a profit of £25,000.

Interview & Words:
Heidi Moment

Tor Høie, Daniel Ransom & Michael Breen, from Thir13en & Mayfair, are developers who are paving the way in the area of sustainability. The purpose of this experiment was to establish just how much more efficient they could make an existing property, with a view to informing their plans for a 34-unit residential development they are currently working on in Kent.

With a lifetime of experience in sustainability, material scientist and innovator Tor was perfectly positioned to head up this kind of test, working closely with Daniel who deals with all the technical aspects of the project, including writing the specifications and selecting the products. Property developer and entrepreneur, Michael, completes the partnership, dealing with the business side of things.

THE PROPERTY

The test property was a small, two-bed, brick-built 1950s terraced house in Eastcote Avenue, West Molesey, which they managed to buy below market value through someone Michael knew from his network. The property was in a pretty bad way and was in desperate need of a full refurbishment.


Tor Høie


Daniel Ransom


Michael Breen

WORKS

The aim was to make the house as sustainable as possible, through increasing thermal efficiency and airtightness and obtaining as low a U-Value as practical.

The main works included:

- **Add a single-storey rear extension under permitted development and a porch to the front**
- **Add a functional insulated home office in the garden**
- **Aimed to achieve some green credentials by adding 100mm external insulation**
- **Sealing up as best as possible to aid with airtightness**
- **Low energy LED lighting and appliances**
- **Solar assisted heat pump (SAHP) for hot water**
- **Installation of a mechanical ventilation and heat recovery (MVHR) system.**

The products selected are products that will be used on future developments, and this project has been a really good experiment to find out how easy the products are to install and how well they do their job.

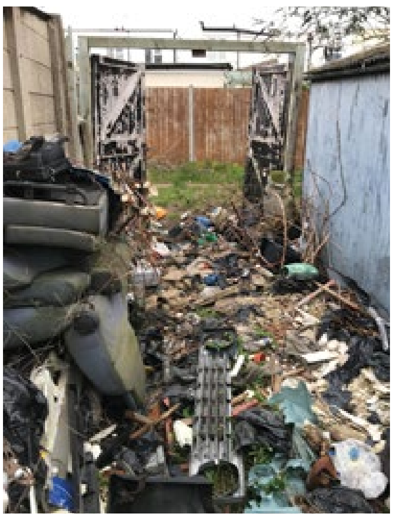
Thir13en & Mayfair
DEVELOPMENTS

Hot water

The hot water for the showers and basins comes from the Magic Box, which is a solar assisted heat pump with a thermodynamic panel that hangs off the gable wall. It's a bit like a solar panel but it provides heat instead of electricity and it doesn't rely on sunlight, as solar panels do.

Through the science of thermodynamics, in this case the phase change of a gas to a liquid, this is able to heat water all year round, as opposed to traditional solar water tubes that are only effective on sunny days.

It's very similar to the hot water tank we're all familiar with - it's insulated and it stores the hot water. This one heats to an average maximum of 55 degrees (65 once a week for an hour) and when dropping 15 degrees the heat exchanger very cost-effectively kicks in again to generate more heat.



Airtightness

In order to use a MVHR system the house needs to be airtight, particularly for the whole house model that requires a rating of 5 or less to achieve the unit's maximum efficiency.

To make the house airtight was challenging, but aided slightly by the fact that the house was built in solid double brick with no cavities. Once all the areas of heat loss had been identified, it was just a matter of sealing everything up. To do this everything had to be stripped back to the brickwork, and any cracks sealed over. Then a whole plaster coat was applied to 100% of the building. New windows were essential and Part L light fittings had to be used (these are specific for air tightness).

Then everything was sealed using airtight foams or tapes around any penetrations going into the walls, fire alarms, lights and anything that goes into the ceiling or penetrates the plasterwork. The skirtings were also sealed to the floor.

Luckily, there were no joists penetrating into vented cavities and the flat roof is actually recessed into the building, so there were no gaps associated with a pitched roof sitting on top of the wall. Although the roof had to be insulated, and the slightest gaps between joists and insulation needed to be sealed too.

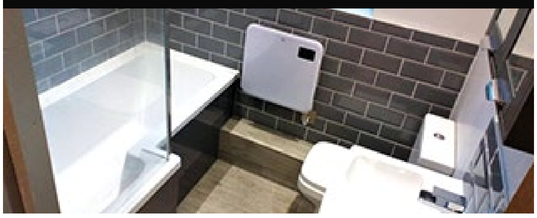
Making the house airtight would certainly have been more complicated on a house that had cavity walls and a pitched roof. It would still have been achievable, but it would have been a bit more work.

Heating

Instead of using gas in the property, they chose to use electric under-floor heating, using a heating foil, which is basically an electric cable that's laminated in a foil mat and laid directly under the wooden floor on top of insulation.

As they were having an electric oven and induction hob and using Magic Box for the water, it wouldn't have been efficient or cost effective to put gas and a boiler in simply for the under-floor heating.

The heating is only on the groundfloor, as the heat recovery system pumps the heat from the ground floor to the rest of the house. There are no radiators in the house at all, except for a single digital electric radiator in the upstairs family bathroom (see below).



Mechanical ventilation heat recovery system

The MVHR (mechanical ventilation and heat recovery) recovers heat that would otherwise be lost through conventional ventilation. This one unit controls all the ventilation for the house. It's a continuous ventilation system, which is very different to having trickle vents and windows.

There's a vent in the centre of the ceiling of each room, to extract the air and distribute the warmth. It extracts the warmer air from kitchens and bathrooms to vent outside, but as it does that the heat exchanger within the unit heats up the cooler air coming in, so there's no cold breeze like you'd have with a trickle vent or an open window. The unit has a humidity sensor and also a summer bypass mode. The system can also be boosted/purged at times when the house may be busier or cooking has created odours that you wish to vent quicker.

External insulation

As well as making the house airtight, it also needed to be insulated well, which helps to improve the U-value. There are several options for how to do this, including filling the cavity with insulation, or fitting insulated plasterboards to the inside walls. As there were no cavities on this property and fitting boards on the inside would have lost valuable space, it was decided to wrap the entire building in externa insulation and render.

The external insulation is made from 100mm thick graphite-infused EPS (Expanded Polystyrene), which is fully recyclable. It's grey in colour and is fairly dense, but lightweight. It was mechanically fixed to the walls using expanding fixings, then fibre-glass mesh was applied and an elastomeric render went on top. It's all fire-resistant and is also fairly impact-resistant.

There is always such a thing as insulating too well, and if you don't get it right excess moisture can build up and the house can sweat. But the continuous ventilation from the mechanical ventilation and heat recovery system means the humidity is controlled, so no excess moisture will build up.

The downside to the Magic Box system is its size. It's a substantial unit and needs access space above for installation and maintenance, so you need a minimum of 300mm in addition to the height of the unit. For example, a 200L model stands at 1680mm, so needs a minimum height of 1980mm, which is not always easy to find under the stairs and if there's no loft. At Eastcote Avenue, they made it work by extending the under stair space to create a small utility room. The only problem with this was that it took a little space away from the dining area.

It's also pretty hefty, weighing 85kgs when empty, which would be troublesome to lift through a loft hatch, depending on where the hatch is positioned and the pitch of the roof.

FURTHER WORKS

- **Strip out all existing plaster ceilings and plaster from walls**
- **New plaster throughout**
- **Strip out all existing cables and plumbing systems**
- **Insulate and seal existing roof and new GRP top**
- **Insulate intermediate floor**
- **New cables, consumer unit and smart meter**
- **Satin steel power sockets with USB ports and dimmer light switches**
- **Electric foil underfloor heating over insulation boards**
- **Wren kitchen with integrated A rated appliances including induction hob**
- **Thermodynamic panel and tank**
- **External insulation and render**
- **New UPVC windows and rear French door double glazed**
- **Fixed skylight, double glazed with polycarbonate dome**
- **New bathroom suite**
- **New carpets and underlay to first floor and stairs**
- **Engineered wood throughout ground floor**
- **Vent Axia Sentinel Kinetic unit**
- **Dual-colour resin driveway**
- **Composite decking**
- **Synthetic turf**
- **Stone pave pathway**
- **Close board fencing and concrete posts**
- **Insulated garden office with LED lighting, USB sockets and Vent Axia Tempra unit**
- **Full decorating throughout.**

U-VALUE VS AIRTIGHTNESS

The U-value measures the thermal performance of a house. It looks at how effective the materials chosen provide insulation and prevent heat loss, in particular looking at the composition of the walls, party walls, ground floor and the roof insulation values. That, combined with airtightness, allows for heating a micro-climate efficiently.

Passiv Haus U-value standards are between 0.10 and 0.15. Eastcote Avenue is very close to this, at 0.2. The airtightness rating is 5.6 (4.8 with the internal bedroom doors closed). This is well below the regulation of 10. Tor and Daniel would still prefer it to be below 5 and although the house is in the process of being sold, they are still working to further improve this rating.

All in all, this is pretty impressive to say this wasn't a new build.

GARDEN

The garden is built as sustainably as possible too. The decking is made of Envirobuild composite decking, which is 60% recycled wood and 40% recycled high-density polyethylene. This is green on a number of counts; it prevents these materials going into landfill and it also uses less energy and materials throughout its life, needing no sanding or treatments, which reduces dust as well as the use of electricity, oils and VOCs.

The turf is synthetic and while it's not made from recycled material it still reduces power consumption as no lawn mowers (either electric or petrol) are needed. No chemical fertilisers are needed either, so there's no wastage of valuable drinking water and no chemicals are washed into the water table.

The garden home office comes insulated as well, with the addition of a single room MVHR unit for heat recovery in the ventilation.

BRIEFING THE TRADESMEN

A project such as this needs to be treated like a new build, following the building regulations for new builds, which are a lot tighter than on simple refurbishments. There was nothing particularly unusual about this from a building control point of view. They used a general contractor, and as usual, the electrics had to be done by Part P registered electricians, and the windows had to be registered and signed off by the council. The only addition was that the thermodynamic panel had to be installed by an F-gas registered engineer.

You might think on a project like this it would be necessary to use specialist tradesmen, but that's not necessary. As Michael explained, *"They have to have an appreciation for what you're trying to achieve, so you have to brief them well and keep an eye on them."*

"Treat it like a new build"

NUMBERS

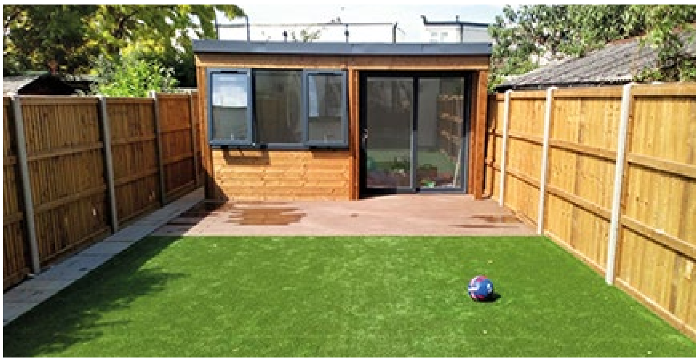
Purchase price:	**£200,000**
SDLT (Stamp Duty):	**£7,500**
Conveyancing:	**£5,640**
Sub TOTAL:	**£213,140**
Refurb cost:	**£114,500**
Financing:	**£22,300**
Selling Fees:	**£4,900**
Sub TOTAL:	**£141,700**
TOTAL:	**£354,840**
Project Duration:	**8 months**
End value post refurb:	**£380,000**
Profit / Equity:	**£25,160**



SUCCESS

When it comes to gauging whether this experiment has been a success or not, it's necessary to look at a few things - products, sale, profits and energy efficiency.

From a products point of view, everyone is very happy with the performance of the products chosen and they will definitely use them again. The team gained invaluable knowledge and experience ready to take forward to their next development. They know it will be more straightforward when they can design the products into the actual build rather than retrofitting, which will remove the issues with lack of space.

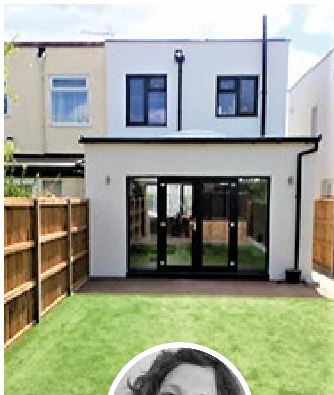



The works took eight months to complete, and a buyer was secured within six weeks. They took the ceiling price in the area from £335,000 to £380,000, which shows a 13.5% increase, and a profit of £25,000. Even though this was never a money making experiment, it's still great to walk away with a boatload of new knowledge as well as some profit in the pot.

When it comes to energy efficiency, with an airtightness rating of 5.6 and a U-value of 0.2 it is highly expected that the running costs for the year will be minimal. However, it's too early to put an actual figure on it until the house has been lived in for a while. (YPN Says: *We've made a note to keep in touch so we can report back in six to twelve months time*).

"The products are brilliant"

SO, CAN YOU RETROFIT SUSTAINABILITY?

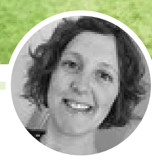



You bet you can. With a lot of knowledge of the products and how they fit together to do what they need to do, it is completely possible to retrofit sustainability to an existing house. It will cost you more money than doing a regular refurbishment but if you're looking to hold the property for a long time, it will be worth it in the long run, as your running costs will be minimal. So in five or ten years time you'll have a very sustainable home which costs you very little to run.

CONTACT

If you're interested in sustainable building, please contact Michael at **office@Thir13en-Mayfair.com**

www.Thir13en-Mayfair.com



YPN SAYS

Have you got a sustainable story to share?

Or is there anything 'green' you'd like to know more about? If so, please get in touch at **Heidi@yourpropertynetwork.co.uk** for more information.

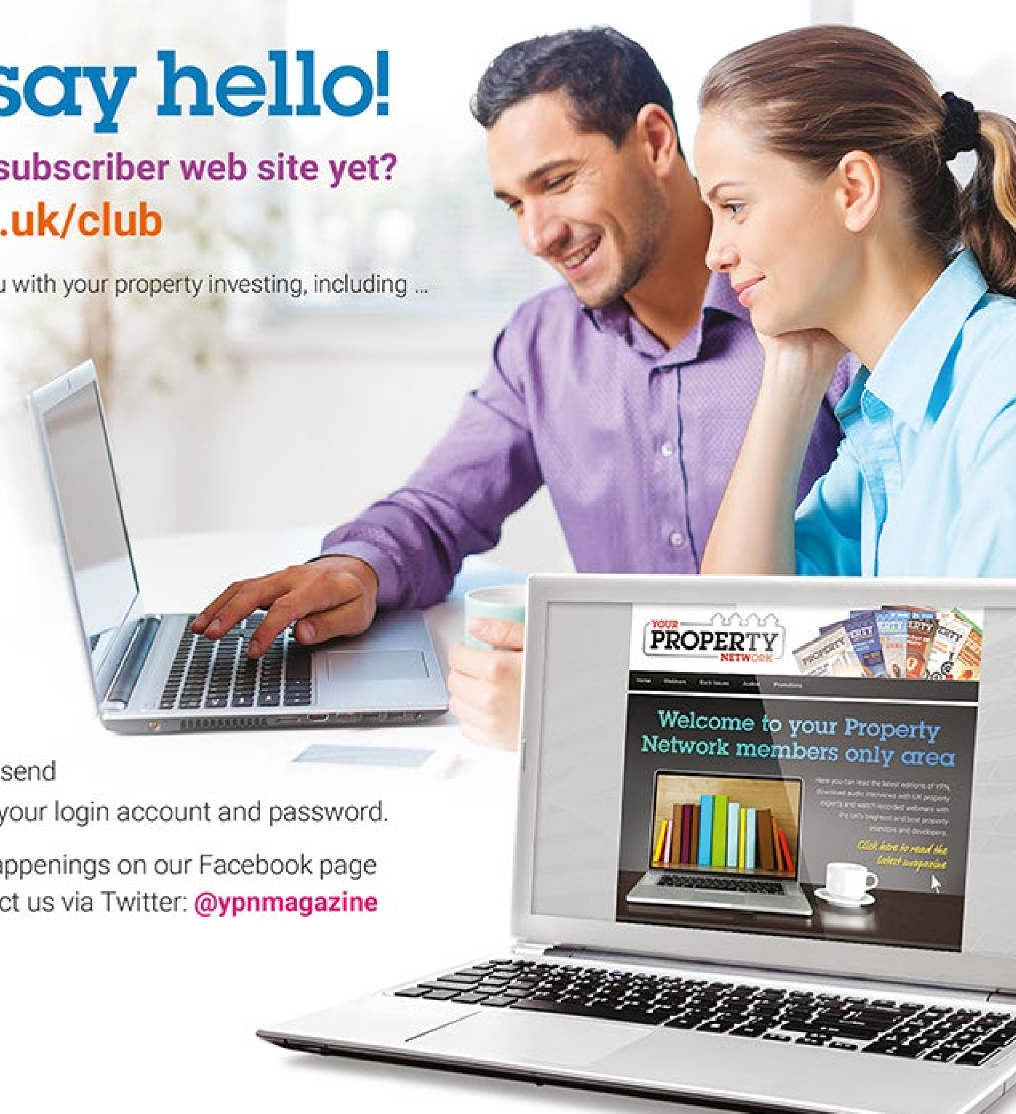
Come and say hello!

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
- Plus 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

THE BUY-TO-LET MARKET OVERVIEW

By **Chris Worthington**

The two main subjects of the market overview this month are the demand side of our industry – tenants in the private rented sector (PRS) and related to that, rents in the PRS.

A recent report by law and tax advice firm, CMS, entitled *The Future of City Living* found that it's not only millennials and students renting property, but workers of all ages and retired people. The report is based on a survey of 6,500 people in London, Manchester, Glasgow, Berlin, Paris and Amsterdam. 56% of the respondents agreed that owning a property was becoming less popular and almost two thirds of respondents said that they would consider renting when they retire, with 55% of over 55s in agreement with that.

Respondents valued superfast internet, smart meters, electric vehicle charging points, keeping pets and local amenities. Rick de Blaby, chairman of build-to-rent operator Get Living, commented: *"We have seen the emergence of a 'subscription society' where people prefer to rent rather than own from cars to music and now homes and furniture. Customer service will become even more important in the rental sector."*

A survey of 2,000 renters in the UK by BTL lender, Landbay, found similar results. The majority of tenants aren't eager to buy a home, with only 42% planning to get on the property ladder. 25% of the renters who are without home ownership aspirations value the flexibility of renting and many of these cite moving to another country or moving to another job in the UK as the main reason for renting.

John Goodall, chief executive officer at Landbay, commented: *"It is often assumed that the bulk of renters are simply biding their time until they can buy a house. However the changing face of employment and a thirst for flexible living mean that renting is more attractive than ever and landlords should reflect this in their interactions with tenants."*

The increase in the popularity of renting compared to buying a property is a significant change in the BTL market. How should BTL investors respond? Two of my tenants have made that choice because of the possibility of a job-related relocation at a future date. Their needs are met by renting a high-quality modern apartment with an assured shorthold tenancy. This would probably not suit a family with children and older people who would benefit from a longer tenancy. However, these are not widely available and BTL mortgages often specify that the tenancy agreement should be an assured shorthold tenancy.

To keep up with the growing demand for high-quality accommodation, landlords need to invest in their properties.

"The latest English Housing Survey found that the proportion of private rented homes deemed non-decent has fallen for the last ten consecutive years, while during the same time the PRS has grown by 45% – approximately 1.5 million homes"

Recent statistics published by commercial mortgage lender, Interbay Commercial, in a report entitled *The Role of Refurbishment in Buy to Let* highlights the monetary value of investment to improve BTL property. Landlords typically spend about £7,000 on a light refurbishment and an average of around £40,000 for a heavy refurbishment. Landlords can expect an increase in rent of around 8% from a heavy refurbishment, with an average increase in the value of the property value of about 9%.

Darrell Walker, Head of Sales at Interbay Commercial, commented: *"As the PRS has grown it has also professionalised and the standard of accommodation has improved. And at the current low interest rates borrowing to support refurbishment is relatively cheap."*

In the past year, the long-term growth of the PRS has continued. Mortgage broker Mortgages for Business recently reported that tenant demand increased for eight consecutive months up to August, and the number of households renting has increased by 3% since 2016. With tenant demand on the up and not enough property to satisfy demand (because some small scale landlords have exited the market as a result of changes in tax), landlords are benefitting from increased rents. The speed at which vacancies are being filled is another positive for landlords.

Research from estate agents Hamptons showed that on average, it is taking only 20 days to secure tenants, three days less than in 2018. Hamptons have forecast that the number of households renting will increase to around 20% by 2022, and that demand will continue to rise for the foreseeable future.

According to the latest Rental Index published by tenant and landlord insurance company Homelet, there was an increase in average annual rents in the UK of 2.4% in the year to August 2019. Rents increased in all of the UK regions with the highest increase in the South West at 4.5% and the lowest increase in the North East at 0.8%. The average rent increase in London was higher than the average for the UK at 3.5%. However there was a wide variation across London, with a fall in rents in some of the inner London boroughs, and a higher than average increase in some of the outer boroughs.

Martin Totty, Homelet's Chief Executive, commented: *"The private rented sector has been resilient in contrast to the subdued market for property sales. Landlords are starting to exercise the pricing power they hold thanks to strong demand for rental stock, wage growth and a high level of employment. The ongoing Brexit uncertainty means that more people rent rather than risk entering the property market at the wrong point in the cycle."*

In the next market overview, it may be possible to begin to evaluate the impact of Brexit on the BTL market. This will take some time.

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

Inside Rent 2 Rent

IS RENT-TO-RENT 'PROPER' INVESTING?

FRANCIS & EMILY DOLLEY

A question that pops up from time to time in the online property forums is: is rent-to-rent really investing?

The question is usually posed by someone who has either been slowly buying properties the traditional way, or by someone who doesn't really understand rent-to-rent. In one such forum, I replied by asking if Uber was really a taxi company?

UBERISATION

A quick Uber synopsis: The name *'Uber'* has its origins in the German word über, meaning 'above' or 'super'. Uber are a global taxi technology company – they also operate car transportation and food deliveries – based in California, operating in 633 cities worldwide, and are valued at £120bn.

They arrived in London in May 2012, when the Uber chief executive contacted London's director of taxis via Twitter, enquiring about a permit to operate in London. Just over two weeks later, that permit was issued.

But several years later everything changed. Transport for London became anxious that this was the beginning of the end of the iconic Black Cab, and so they insisted that Uber was banned from the capital's streets.

Of course, Uber dug their heels in and battled hard to get their licence renewed, and it doesn't look like they're going anywhere soon. Whenever I read anything about this saga, I couldn't help thinking about King Canute trying to hold back the waves.

Uber operate an innovative system that the people actually wanted. So, instead of wasting all that time and energy fighting the inevitable, why not be innovative yourself? Assimilate and adapt. In fact, some forward-thinking Black Cab drivers have already created their own app called 'Taxiappuk'. No, I've not heard of it either… maybe next year?

Although Uber operate in a way not too dissimilar to us rent-to-renters, as they don't own any of the cars and act as the middle man between the car owners and the end customers, I think it's safe to say that Uber are in fact a proper taxi service. In fact, the term 'uberisation' is being applied to companies who radically change their thinking and the way they do things.

It's been said that the only constant in life is change, and so it was inevitable that a new player would eventually disrupt things in the taxi world … just as rent-to-rent continues to disrupt the property world. It's also inevitable that there would be some resistance as some people really don't like change. The people who often ask if rent-to-rent is indeed proper investing are probably a very small contingent of old-school property investors, who are maybe a little aggrieved (and even a tiny bit jealous) of these new-age investors creating the same net monthly cashflow they've taken twenty years to accumulate.

Let's compare the two:

From the graphic, you can see that of course we need to source both bought HMOs and rent-to-rents from landlords and agents. Both types of deals will need to be negotiated, albeit with much smaller numbers on the rent-to-rent.

Next is deposits, and this is the first big difference between the two strategies. The last HMO we bought needed a deposit of £50,000 to secure the deal. We were setting up our 11th rent-to-rent at the same time, and for that we needed no deposit.

The HMO took just over six months from the day the offer was accepted to the day the refurbishment was completed and tenants moved into the property. The rent-to-rent deal took three days from viewing to being full of paying customers.

Both properties needed a refurbishment. The HMO cost us another £40,000 to do a complete refurbish with new kitchen, bathrooms, boiler etc. Whereas the rent-to-rent cost us £250 to furnish one bedroom and add a TV/aerial to the communal space. We dressed both properties to a good standard, naturally spending

more on the HMO, as we owned it. We started the viewings early and already had tenants lined up, so both properties were filled within just three days.

Lastly and most importantly is the profit margin. How much cashflow does each property generate? This is where it gets crazy, as both properties generated around the same cashflow. The HMO was £1,650 and the rent-to-rent makes us £1,580 clear net cashflow per calendar month.

Most people get into property to escape their boring jobs, to spend more time with the family or to create a better life for themselves. Traditional property is a brilliant way to do this if you have access to shedloads of money, or are able and willing to slowly create your portfolio over many years. However, some of us want a good, solid cashflow and we want it **RIGHT NOW!**

Life is short and who knows what's around the corner. As well as guaranteeing the rent for the landlord, we also want a guaranteed income landing in our bank accounts. Rent-to-rent will do this for you while you slowly build your portfolio of owned HMOs. Many of today's savvy property investors are doing it this way.

We set our systems up so that all rents land in our bank account like clockwork on the first day of each month, making it a dependable and totally predictable income. No more boom and bust investing for us!

When you've replaced, or better still, doubled your current income to create some security, you can then branch out into other areas of property investing, or whatever floats your boat. We're just getting into holiday lets, and another rent-to-renter has just opened his first Portuguese tart shop.

So, Uber and other forward-thinking companies such as AirBnb – who have more rooms than the long-established Hilton Hotel Group, and achieved it in a fraction of the time with a fraction of the overheads – saw an opportunity in the market and moved fast to fulfil a need that the general public wanted.

Rent-to-rent is another, albeit lower key, example of what the public and agents/landlords want and need right now. Whenever people want change, you'll always get the stubborn army who will battle hard to keep things just as they are.

There have been many stubborn UK companies who were too stuck in their ways to change, and much to their detriment, totally ignored their customers' needs and what was happening in the wider world. These include the now-defunct Kodak camera shops, Blockbuster shops, Woolworths … plus all the high-street letting agents who are no longer with us.

We know plenty of independent letting agents who have Uberised their business model. Once such gentleman was somewhat aghast when he calculated how much money he had been leaving on the table. Why settle for 10%-15% when you could be making closer to 40% and offering a much better and more satisfying service?

CONCLUSION

We all invest our time, money and life energy into rent-to-rent, and it pays us back very well indeed. So, in answer to the question, **OF COURSE** rent-to-rent is proper investing.

It is not about ownership, it's about control. And by controlling the properties, we can benefit greatly from the large monthly cashflow they produce. There's very little of the expenditure that multi-lets usually attract, because if you set the property up correctly and use a good solid contract, any costs are usually covered by the owners.

The only downside is that of course we don't benefit from any capital appreciation. But rent-to-rent is all about monthly cashflow … and when you consider that poor cashflow is the number one reason most businesses go bust, it's a not a bad idea to add at least a few high-cashflowing rent-to-rents to any property portfolio.

ADVICE FROM THE PROFESSIONALS

The Billionaire Nelson Rockefeller once famously said: "*The secret to success is to own nothing, but control everything.*"

A slightly lesser-known quote from Nelson's grandfather, John D. Rockefeller, was: *"If you want to succeed you should strike out on new paths, rather than travel the worn paths of accepted success."*

Hmm, maybe one for those old-school property investors to consider?

Join Francis and Emily on the next one-day Rent 2 Rent Intensive in Bristol on the 7th December, and get all your ducks in a row to kick-start your business in 2020. Get more information here: www.multiletcashflowsystem.com/events

BUILDING A SUSTAINABLE BUSINESS WITH RENT-TO-RENT: A CASE STUDY

By **Giuseppe Leone**

This month, regular contributor Mark Lloyd is taking a rest and a member of his team at Property Master Academy has joined us – Giuseppe Leone, rent-to-rent coach and mentor.

BACKGROUND

Up until June 2017, I had worked for Shell for 17 years – five years in Milan, two years in Hamburg, four years in London and six years in Bristol. I was Global Process Manager and had a team of 75 people both directly and indirectly reporting to me.

Gilly, my wife, also had an international corporate job until the end of 2015. At the beginning of 2016, she decided to resign and work part time in our business. On top of all of that, we had two little boys (now aged eight and six), so while we were building our portfolio, we endured numerous sleepless nights. It's been an interesting journey and it's fair to say I've aged more than a few years!

Juggling the property business alongside my busy job at Shell was certainly a challenge. I'm very driven and passionate about property, so I didn't mind sacrificing my free time for the business. I worked most evenings and weekends, which meant missing a little bit of family time, but I knew it was just for a short period and that it would pay off in the end.

At the beginning, we set ourselves the target of being full time in property within two years. I left Shell in June 2017, seven months later than my original plan. The last month before leaving Shell was an emotional rollercoaster. I hadn't realised the amount of stress I'd been under to keep all the plates spinning for over two years.

I am now working much more efficiently in the business. I love the variety of being my own boss, I'm spending more quality time with the kids and I've even become a triathlon athlete.

The only negative aspect of being self-employed is the uncertainty of the income. However, thanks to the size of our portfolio and Bristol's somewhat stable rental market, we don't have too many sleepless nights.

DISCOVERING RENT-TO-RENT

I had been an accidental landlord for a few years, and in September 2014 I attended the R2R course run by the Property Master Academy. In October 2014, I joined a group mentorship programme under the watchful eye of Mark Lloyd and Jackie Reeves.

We have always focused on HMOs, using both rent-to-rent and purchasing, and we're constantly increasing our purchased HMOs while decreasing the rent-to-rents. This way, we're increasing the margins while decreasing the number of properties needing to be managed.

We live and invest in Bristol, and our portfolio is concentrated in specific post codes throughout the city. Doing this means that we know the market in our areas really well. At the time of writing, we have a large rent-to-rent portfolio and a medium-sized portfolio of owned HMOs.

Although not black and white, the roles are split fairly evenly between myself and Gilly. I take care of strategy, portfolio expansion, marketing and finance, while Gilly oversees the day-to-day operations. It works well for us and gives us the perfect family balance. To be honest, it took a few months to find what worked and to split the responsibilities.

PROPERTY INVESTORS AWARDS

My PLACE IN BRISTOL

WHY RENT-TO-RENT?

When I first started in property I wanted to buy and keep, but after a very quick calculation we realised we couldn't go very far with that. However we could start a business with only a few thousand pounds in the bank using rent-to-rent.

We used our own funds to kick off our business, and the monthly net profit was reinvested into the business. During the initial set up and growth period, I still had my salary from Shell, which gave us more flexibility.

Rent-to-rent allowed me to learn the skills to manage HMOs. It didn't matter if I owned one or if I was managing it for someone else, I just needed to make sure it produced a profit.

We agreed with the landlord that we took over the management of their property, and we have a 24/7 maintenance company. This allows us to have a tradesman in the property within two hours if there is an urgent issue.

Presenting ourselves as a husband and wife team helps to soften the initial barrier with landlords, and the fact that we're landlords ourselves puts them at ease immediately. They know that we understand exactly what is needed in terms of trust, service and financial consistency.

FINDING TENANTS

I am Italian, and Gilly speaks excellent Spanish and French along with basic Japanese and German. We have used our knowledge of languages to create a niche market in Bristol and specialise in offering accommodation to those moving to the UK from abroad.

We use Facebook groups, such as "Italians in Bristol" or "Spanish in Bristol" and so on, to advertise our rooms and to communicate with prospective tenants in their own language.

We have over 100 rooms at the moment, and touch wood, we haven't had a missed payment so far. I'm sure we will at some point, because it's part and parcel of being a property investor. In many ways, our tenants are reliant on us, certainly at the beginning while they're finding their feet in a new country.

As most of our tenants are from abroad, our houses are international. If we have a tenant moving in with another from their home country, we share their contact details so they can get to know one another before moving in to put their mind at ease. 30% of our rooms are rented before they even touch down in Bristol.

CASE STUDY 1

The property

- 5-bedroom licensed HMO (for 5 people)
- 2 full bathrooms
- Kitchen/diner
- Living room

The numbers

Rental income	**£2,450**
Total income	**£2,450**
Less cost of sales	
Rent payable to landlord	**-£1,450**
Cleaning	**-£48**
Utilities	**-£293**
Total cost of sales	**-£1,791**
Gross profit	**£659**

The tenants:

Our tenants are professionals from Italy, Spain and France. The monthly rent includes a cleaner for the communal areas and all bills, but gas and electricity are on pre-payment meters which are managed and paid directly by tenants. We prefer this set up as we don't want to have any surprises in our bills and we don't want to spend time micro-managing our tenants.

"We always provide a brand-new tumble dryer in each of our houses in order to minimise damp issues. Since we invested in tumble dryers, complaints related to damp have dropped by 90%!"

CASE STUDY 2

The property

A big five-bedroom house, which is a licensed HMO in Southmead. Originally, it was rented to the council for young people who needed to be reinstated into society. When I viewed the house, there were dirty nappies on the stairs, it was filthy, and you couldn't even see the living room carpet as it was covered with boxes.

The landlord has a fairly big portfolio in Bristol and I got in contact with him through my marketing letters. The timing was great, as he received my letter just as he was having to make the decision on renewing his contract with the council. When we met, I explained all the advantages of rent-to-rent, and reassured him that the house would be left in a very good state, instead of being destroyed by council tenants. He was very interested and we haven't looked back.

Works completed

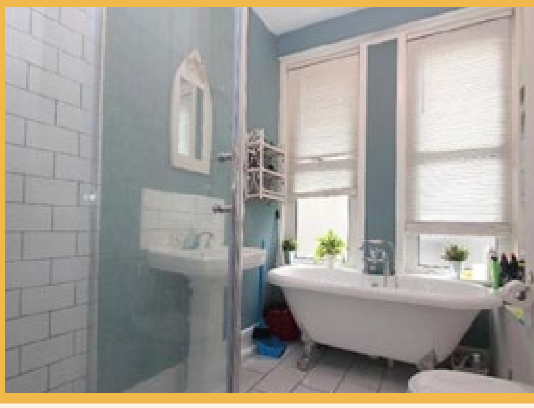
We agreed to repaint the whole house, replace all carpets and we bought new furniture and artwork. After the refurbishment, the house looked as good as new. The landlord was surprised and said he couldn't remember it looking so good.

He was very happy and agreed on another two rent-to-rent deals with us and we are currently discussing taking on others as soon as his contracts with the council come up for renewal.

- 5-bedroom licensed HMO (for 6 people)
- 2 full bathrooms
- Separate kitchen/diner and living room
- 1 couple (in the loft) and 4 singles

The Numbers

Rental income	£2,575
Total income	£2,575
Less cost of sales	
Rent payable to landlord	-£1450
Cleaning	-£48
Utilities	-£280
Total cost of sales	-£1,778
Gross profit	**£797**



ANY KEY LEARNINGS ALONG THE WAY?

At the beginning, we were very excited to build our portfolio – as most of us are when we start out. There was also that sense of *'let's demonstrate to the world I can reach my target as quickly as possible'*, something which is fundamentally wrong but natural.

With this mindset, we went from zero to four properties in three months. It was very nice from a cash flow point of view, but on reflection two of the properties were so time consuming from a maintenance side that you could say we definitely learned the hard way.

Both houses had damp issues (that obviously needed to be sorted out quickly), unreliable boilers and walls in poor condition – problems which took time and cost money to fix.

"It's better to do fewer, but better deals"

I'm more picky now. I view a lot of properties every week but would say probably 60% of them won't work out. On paper, they're fine – right type of property, right location and so on. But I don't make an offer because I now know, based on experience, that they would give me headaches from a maintenance standpoint. It would end up costing me money and ultimately result in unhappy tenants. If tenants aren't satisfied, they won't stay as long and we don't want to ruin our reputation. I don't want tenants saying their house has loads of problems, instead I want them to say their home is beautiful and comfortable.

THE FUTURE

Since running the business full time, we have changed focus. Gilly will continue running the day-to-day portfolio, and I will focus on growing our portfolio. The goal is to purchase two HMOs and work on at least one flip a year.

If we succeed in meeting the above targets, by 2021 we will have a fully-owned portfolio and complete financial freedom. We will hire additional full-time property managers, and really start to enjoy a passive income from property.

If you would like to find out more about rent-to-rent and building a sustainable business, then visit:
www.pmacourses.co.uk/r2r

Leading accountant recommends a property SSAS

Jeff Lermer, Director of JLA Chartered Accountants

Property & Pension Investment

SSAS pensions may have been around since the 1970s, yet still far too few realise their full potential. Whether investing in property, growing a business or tax efficiency and an early retirement is the goal, the unique flexibility of a SSAS pension is unparalleled. The Landlord's Pension are experts in this niche field and can offer tailored and bespoke advice.

Jeff Lermer, founding director of London based JLA Chartered Accountants, is certainly keen ensure his clients don't miss out and are fully versed in the power of the SSAS, along with access to expert advice from partners such as The Landlord's Pension. With over twenty-five years of experience in the accounting profession, he has ensured that JLA remain at the leading-edge in their field, providing 'innovative and practical solutions' for clients' accounting, tax and investment needs.

"We specialise in small, profitable SMEs, with most clients living on less than they are making, leaving surplus funds for investment; this is where the SSAS really comes into play". Touching on the unique structure of the SSAS, Jeff explains that, "A SSAS protects clients from themselves. It allows them to be as hands on (or off) as they want to be, but ensures that their investments are properly ring fenced, tax efficient and safe from mistakes".

Undeniably talented, Jeff's passion for planning tax efficient, bespoke strategies for his clients and their businesses is unquestionable. "When looking at clients we look at three aspects of their lives – Business, Individual and Savings. That is the JLA strategy – joining these three aspects and ensuring provision to support them is achieved in the most tax efficient way. "In all cases, nothing is more tax efficient than a SSAS and its unique flexibility really captures people's attention".

So why do so many pay such little attention to their pension? - "We find that people seem to have a fear of pensions without knowing why. They are hanging onto historic horror stories of pension brokers in white socks wheeling away their money and not really knowing where it is going". "A negative with other pensions is that they are passive. A SSAS however, is engaging; it triggers an active mode of thinking about your pension and your investments. Working with a niche SSAS advisor like The Landlord's Pension can remove that fear. Clients can start to enjoy being in control of their investments and start seeing 'pension' as something good; it becomes a solid, exciting structure for profitable savings and investment".

So, what would you say is the USP of the SSAS? – "The differences between SSAS and other pension schemes are off the scale. The personal engagement; the fantastic, *genuinely fantastic*, tax aspects and the most flexible part of a SSAS, the ability to 'loanback' to your company". Again, "The Landlord's pension are able to offer myself and my clients all the knowledge and tools required".

"The tax efficiency of a property SSAS is genuinely fantastic"

SSAS is helping company directors take control and grow their businesses and portfolios.

Allowing access to 50% of your pension pot, it makes the ideal solution for company directors looking for that essential cash injection. Whether just starting out on your property investment journey or looking to grow your current portfolio, a property SSAS should be a key ingredient of your plans for growth. Tax efficient; powerful and flexible; it can drive forward your investments and growth at an extraordinary pace.

The Landlord's Pension, as Jeff has explained, are passionate about sharing expert knowledge and furnishing their clients with the knowledge and tools required to successfully invest in property, grow their businesses or even retire early, via the vehicle of a property SSAS pension.

THE MISSING PIECE OF THE BIGGER DEALS PUZZLE: OUR MINDSET

By Richard Brown
aka
THE PROPERTY VOICE

I have spoken before about doing bigger deals and have highlighted some of the more tangible factors that we should consider. There are the obvious considerations of doing bigger deals – getting access to the right sort of opportunities, being able to fund the larger projects, having the required skills and expertise available to deliver them and finally having the systems behind you to ensure everything runs to plan.

However, there is another big issue that I did not mention in my 'Going Large' feature in the August 2019 issue that I wanted to highlight here.

I see the issue of mindset as being a bit more than a positive thinking movement. It is as much about realism or pragmatism as it is about belief. There is also a darker side to the issue of mindset to consider at times as well. Some things to be aware of with our mindset around doing bigger deals are …

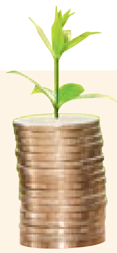
COMFORT ZONES AND GLASS CEILINGS

We are creatures of habit. If we are used to doing smaller projects, then that's what we tend to migrate towards and feel comfortable doing. However, in order to do bigger projects, we need to stretch our current capabilities and go outside of our current comfort zone.

Equally, we may have a limiting belief about our capabilities, represented by an invisible glass ceiling. I had this myself in a different area recently. My marketing consultant challenged me when I said I only wanted to speak to 35 people at once … why not 75, she asked. The simple answer was that I had placed a limit on what I could do (glass ceiling) and justified this by saying I wanted a more intimate setting (comfort zone).

The best way to test whether you have these two blockers is to get someone you trust who has the right experience to act as a challenge to your thought process.

PERSONAL DEVELOPMENT AND GROWTH



In order to do bigger deals, we also need to grow into them personally. It's going to be quite tricky to immediately step into finding, funding and doing multi-million-pound conversion or development projects if you have no track record.

Doing a refurb to flip or refinance to retain has some parallels, but also many key differences to larger deals. We often need to rise through the different levels of projects one step at a time, rather than leaping into doing bigger deals straight away. Whilst some have dived right into large projects early on in their property career and have survived without having the background, skill, experience or temperament, many have come unstuck, and in a very big way too. So, we need to upskill ourselves and prepare ourselves mentally to be able to handle these bigger deals.

OUR ENVIRONMENT AND INFLUENCES

To be able to handle bigger deals, we usually need to hang out with different people in different places to when we were doing smaller deals. Go to where the people finding and funding bigger deals are hanging out and/or find ways to attract these people to you. Some people say that we are the product of the six people closest to us and whilst that might not be 100% true, it is certainly true that we are very heavily influenced by the people that we spend the most time with.

"Who are you spending your time with and what sort of chatter and mental input do you have with these people?

Are they your biggest influencers?

Where are you hanging out, both in the real world and online?

Are these locations capable of helping you with doing bigger deals?"

These will provide you with finding, funding, expertise and systems opportunities … and a more expansive mindset too.

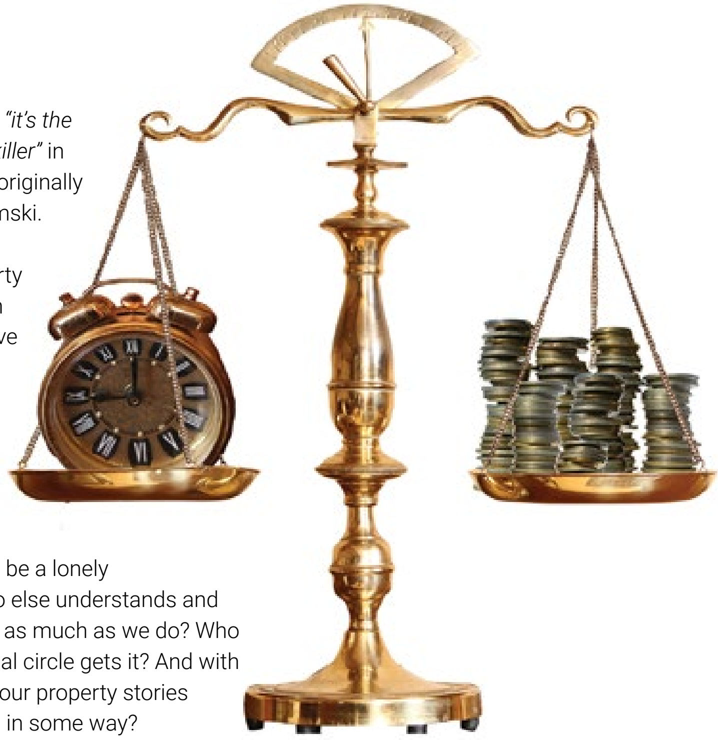
THE UPSIDE AND THE DOWNSIDE

My personal time involvement on my larger projects is not proportional to the time spent on smaller ones.

There is not a 1-1 time / £ ratio, in other words. In fact, my actual time on the larger projects is perhaps two or even three times that of my smaller projects, but the project sizes are currently up to ten times the size. That's a massive upside in terms of leveraging my personal return on time investment.

However, there is a flip side here as well. If a project goes wrong, it can really hurt you if you are not careful. For this reason, I would strongly suggest that if you want to get involved in larger conversion and development projects, that you have around 15% to 20% of your total project value and/or personal net worth available in cash or highly liquid assets. And prepare yourself mentally for the potential of a bigger risk or even loss too.

Before I finish, I was reflecting on it being Mental Health Awareness Day as I write this article about mindset. We should also consider the potential for certain aspects of the way we think being unhealthy, or potentially becoming unhealthy.



Seal sang the words: *"it's the loneliness that's the killer"* in his 1989 song Killer, originally performed with Adamski. When we embark on this journey of property investment, and even as we begin to achieve all that we set out to achieve, we can feel alone and isolated at times.

For many a property investor or solopreneur, it can be a lonely old trail. After all, who else understands and believes in our vision as much as we do? Who else in our usual social circle gets it? And with whom can we share our property stories without being judged in some way?

I have come across many a successful property investor that has mentioned these feelings of isolation at times, and I have them myself too. Without addressing these feelings, we do run several risks. We can become entrenched in our own thoughts, failing to take in external input and as a result, start to make narrow-minded decisions, which may ultimately work against our own best interests. We might lose touch with some of the current or upcoming trends in the market, which could jeopardize our very business. Finally, we might suffer from the effects of prolonged isolation, which might lead to us struggling with mental health problems.

Nobody really talks about these things, so what can – or should – we do about it?

I would suggest three things:

1. Don't suffer in silence

This is all about talking about our thoughts and feelings. A problem aired is a problem shared, after all. So, talk to someone. Ideally, someone who you can trust and who also gets you and what you are trying to do. Get a property buddy, start a mastermind group, or just meet for coffee with property people now and again. Offer to listen to others too … reach out and be that friend to others out there as much as you would like others to reach out to you.

2. Join a community

We are social creatures. We live in families, form social groups and live in communities where we can hang out with other people who share our interests. Well, the same is true with property people too! We are in little communities all over the place – small local meetups, larger formal property communities and online groups and forums are all places where us birds of a feather can flock together. Then there are mentors and formal mastermind groups, which can offer a deeper and more considered insight into what we are doing. Some of these mentors are naturally forming between 'master and apprentice', whilst others appear through more commercial arrangements.

3. Give back

It's hard to feel sorry for yourself when you are helping someone else deal with their problems and issues. My wife and I recently got involved with an NGO that helps to build basic housing for families in need. After hard labour in the beating sun, sleeping on a school floor and without taking a shower for three days, we could not worry for our aching backs and callused hands. The look on the beaming faces of the family who had been living on the streets, when they saw a warm and dry haven to call their own made it all worth it. As John Wooden says: *"You cannot live a perfect day, without doing something for someone that can never repay you."* We also tend to feel better as we help others in need.

In summary, it's not simply a case of telling ourselves to be positive. There is more to it than that, as we have seen. Just be careful what you wish for though … the thought processes, personal growth and trade-offs of doing bigger deals are just as much a part of the puzzle as the project size and return, funding, knowhow and systems. Arguably, more so.

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

THE LIFE OF AN ENTREPRENEUR

ARSH ELLAHI

Hi Arsh,

I have started a deal sourcing business, and I am finding that I have a lot of emotional highs and lows. Is this normal? I'm on a high one minute, having spoken to the agents and getting a positive response, and the next I could be facing rejection and find myself on a low.

How do you deal with this?

MRS G, HACKNEY

Thank you for getting in touch, Mrs G. I know exactly how you feel. Property is a weird and wonderful industry that can create magnificent highs and catastrophic lows. The art is understanding how to deal with them respectively.

First of all, let me inform you that whatever you are feeling is absolutely normal. I have days where I am high-fiving everyone, and others when I refuse to speak to anyone. Some might even say that I have a split personality!

As many are aware, deal sourcing is one of my property ventures and it has been very successful. Building up that level of success, however, comes at an enormous price. Let me elaborate on that …

Deal sourcing is a fantastic strategy, regardless of where you are in your property journey. Whether you are just starting out and looking to generate some quick cashflow to save for the first purchase deposit, or you are a successful property professional who uses deal sourcing to find their next deal, it's a strategy that caters for all.

Two things all deal sourcers talk about is:

1. **how great they are,** and
2. **how much money they have/deals they have done that month.**

However, it is very rare that any of them would stand up and tell you about the struggles they face on a daily basis. These could include, for example:

- **Lots of rejections from vendors**
- **Agents refusing to deal with you**
- **Finding a deal and not having anyone to buy it**
- **A buyer who turns out to not be a buyer and is sourcing it on elsewhere**
- **Buyers who need to get clearance from a JV partner**
- **Finding a buyer who then wishes to offer a stupidly low amount**
- **Buyers trying to reduce the fee you charge**
- **Buyers taking forever to instruct solicitors and mortgage brokers**
- **Down valuations**
- **Solicitors – generally being solicitors and trying to screw everything up**
- **Buyers – having a change of mind during the process, as they have seen a better deal coming in**

It's a list that can go on and on. Typically, I trade between 20 and 30 deals a month, and therefore I hear a lot of b****hit.

Just to balance the article, it's important to note that you can make an extremely comfortable living from sourcing properties. However, you will need to develop rhino-style thick skin! On average, it takes approximately:

- **One-two weeks for a standard rent-to-rent**
- **Four-eight weeks for a standard single let to complete**
- **Eight-twelve weeks for a multi-let or apartment block**
- **Three-six months for a lease option – providing the solicitor hasn't screwed it up**

It is fair to say, that the highs of being a deal sourcer definitely outweigh the lows. Here are a few things that really make my day:

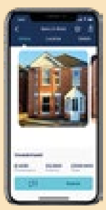
- **Meeting vendors daily and creating win-win scenarios (I always walk out the house and give myself a fist pump)**
- **Appraising a deal and seeing that it works**
- **Meeting an investor who is looking to work with you and can show proof of funds**
- **Confirming that a valuation has come in on target or above valuation**
- **Confirmation that both parties have set a date for exchange of contracts**
- **Completion**
- **Receiving a thank you email from vendors and agents for the hard work you put in to get the deal over the line. This is priceless and for me, quite emotional.**

If we combine the highs and lows, it could very easily turn a light-hearted person into a nervous wreck! So over the years, I have developed a few rules that have allowed me to overcome any issues without affecting my mental health.

RULE NO. 1

Always stay in control of the deal.

Make sure you are in the centre of communication for both solicitors and finances, so you can see exactly where they are and what information they are missing. You will be surprised at how slow people are at chasing this up. This is actually the golden rule, as it can help speed up the legal process from eight weeks to four weeks.



One tool I should mention is the Property Investor app, the UK's marketplace for Property Investment deals. Whether you have a deal to sell or are look for your next deal, it is the place to go. To find out more, please visit: **www.propertyinvestorapp.co.uk**

RULE NO. 2

Do not let anything faze you.

Every issue can be dealt with. Get to the root of the problem and find the solution.

RULE NO. 3

Always have a backup purchaser.

Just in case the first one falls through.

Above all, just remember why you are doing this. I have a picture of my wife and kids in my office and in testing times, a quick glance at them allows me to refocus. Let's face it ... if it was easy, everyone would be doing it.

If you have a question you would like answered in this article, please feel free to email me: **arsh@arshellahi.com.** I'll answer as many as I can over the coming months.

CONTACT

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Instagram	www.instagram.com/arshellahi
Youtube	www.youtube.com/c/ArshEllahi
Linkedin	www.linkedin.com/in/arshellahi
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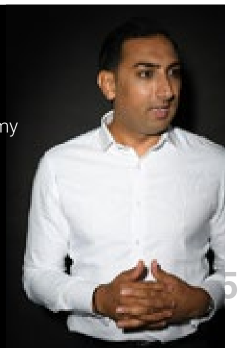
Finally, to get access to all my updates and whereabouts, please sign up to my weekly newsletter at **www.arshellahi.com**



WHEN CAN I STOP DELAYING GRATIFICATION?

By specialist property accountant **Stephen Fay FCA**

Many landlords and business owners are familiar with the concept of delaying gratification, to fund the start-up and growth of a property business that in later life can produce a meaningful income. However, it's common for landlords and business owners to understandably focus solely on this without thinking too much about the final stage – when the business has been built, and the day arrives when gratification no longer needs to be delayed (yes, that day does arrive!).

REMIND ME, WHAT EXACTLY IS 'DELAYED GRATIFICATION', AND WHY IS IT AN IMPORTANT CONCEPT FOR PROPERTY INVESTORS?

Delayed gratification refers to the concept of saving money to invest, by spending less on discretionary items such as cars, your own home, eating out, clothes, entertainment etc. The money saved is then accumulated and used to build a business (for the purposes of this article, let's say a property rental business), which produces an income and then allows the owner to have more future financial choice in life – whether that's to exit a day job, retire early, or leave a legacy, ie less now, for more later.

The challenge of course, is that it's human nature to want to spend all money available on the good things in life! And the so-called "consumerist culture" is ever-present, with increasingly sophisticated marketing tempting you to spend, and the "keeping up with the Jones's" aspect of life (not helped by social media, these days). In a consumerist world, it can be difficult to buck the trend and actively delay gratification to build up a fund to develop a business.

BUT WHY MUST I DELAY GRATIFICATION?

The bottom line for most people when starting a new business is that they haven't got enough cash to go out and buy all the income-producing assets that they would like to. So, to build up the pot of cash, sacrifices are needed, for example, actively choosing not to spend precious and limited funds on nice cars, too much eating out, clothes, entertainment etc. Instead, choose to reserve those funds for investment to build up an asset base and the resulting extra income stream.

And as well as being frugal to generate the investment capital to start a property rental business, discipline also needs to be exercised as the portfolio grows to not use any income to fund excessive spending. Instead, continue to save invest and grow, and over time convert an acorn of initial investment capital into an oak tree that throws off a meaningful income. The only issue is this usually takes several years to achieve!

KEEPING UP WITH THE JONES'S

It's been well-known for a long time that humans like to show off. The idea that material possessions impress others and elevate social status transcends all cultures, continents and ages.

As well as this, many studies have identified that it is relative wealth inequality that impacts happiness. In other words, how we are doing (or, seem to be doing) financially compared to those we consider our peers, is what drives the desire to show off. Few people resent the Queen, even though she is incredibly wealthy, as she isn't a peer … but if the neighbour comes home in a Ferrari, the curtains will be twitching along the street!

Delaying gratification, therefore, goes against human instinct. Both to want to give yourself and your loved ones the best of everything, and the desire to show people how well you are doing in life … but it's hard to be the odd one out. However, the long-term reward for those who are capable of exercising the required discipline is a life of financial freedom.

OK, I'LL DELAY GRATIFICATION, BUT WHAT'S IT ALL FOR?

The stated goal for a large majority of property investors is to achieve financial freedom. They usually mean not having to work in an unfulfilling job and having the money to have a good standard of living.

Property investment has been referred to as "the poor man's private equity", because one of its many advantageous features is that lenders are willing to lend the large majority (75%+) of the purchase price. This allows for financial leverage, ie the ability to invest only a small portion of the total purchase price but receive all of the income from the asset.

One of the main benefits of property investing over other types of investing is the ability to stretch investment capital further, and so it's possible to reach the financial freedom milestone more quickly.

THE PROMISED LAND …

Typically, successful property investors focus on: spending less, investing capital, re-financing equity, refurbs, new purchases, re-investing surplus income, etc. Until one day they actually reach the point where their day-to-day income derived from their investing is sufficient for them to live on and they have achieved their goal …

However, many such successful investors have been so used to delaying gratification, that when the time comes for the delay to end, they have forgotten how to spend money on anything that doesn't produce an investment return.

The next phase of such an investor's financial life is therefore to plan how their new financial position will change their life by focusing on what is important to them, and how can money help:

1 Financial freedom

First and foremost, at the most basic level, having sufficient unearned income to cover the basics of life without needing to work in a traditional "trade your time for money" job (or self-employment). This allows a person to choose how to spend their time, and removes the need to commute, tolerate an awful job and an awful boss, be a slave to a single pay check and generally have to be at the beck and call of an employer. In my experience, this is the Number One target for most property investors.

2 How to spend your time – 'the dizziness of freedom'

Most successful property investors who achieve financial freedom then face an issue they may never have had to deal with before – what to do with their spare time? Obviously, this sounds like a nice problem to have, but it needs some thinking about.

More time with family and friends, more time for hobbies, fitness, music, culture, travel etc. But exactly how to do this can take some getting used to. For instance, one of the challenges of having more time is that other family and friends might not have your free time, so there may be a need to plan activities and events with that in mind.

Psychologists call this 'the dizziness of freedom' ie the potential for anxiety to be produced where a person has so much freedom they can't cope. Working out what you enjoy doing, what you are challenged by and what gives you a sense of purpose and fulfilment isn't always easy when you've been focused on work and investing for as long as you can remember.

3 Which tasks to do yourself, or pay for

It's sometimes difficult to resist the urge to spend this new spare time by doing routine or menial tasks that could easily be done by tradesmen, cleaners, lettings agents, accountants, etc. Ask yourself: is this a good use of my new spare time?

A good rule of thumb is to outsource tasks that you either dislike doing, or that can be completed to a higher standard by others (cost-effectively, naturally!).

4 "Good spending"

Just like there is "good debt" (produces an income), and "bad debt" (produces no income), there is "good spending" and "bad spending".

Good spending tends to be on things that are clearly beneficial, but may have taken a back seat during the years of delayed gratification. It includes:

- **Good health insurance, and similar (life cover, critical illness etc) – choose a quality provider with a good range (and tag-on extras like dental, optical etc).**
- **Education – perhaps on private schools for children, extra tuition, or courses or programmes for yourself to learn new skills, sports, or a musical instrument.**
- **Higher quality food, vitamins, medicines, illness-prevention measures such as on a new fitness regime, new equipment (gym kit, trainers, bike etc).**
- **Consider new medical treatments such as laser eye surgery, replacing old spectacles or hearing aids (or similar), or switching to a better contact lens choice, etc.**
- **Visiting new restaurants for breakfast, lunch and dinner. They don't need to be Michelin-starred, but how many of your local eateries have you tried? When was the last time you tried a new cuisine or foods that you haven't had for a long time?**
- **Update your important end of life documents: will, Power of Attorney etc – protect your legacy from HMRC's clutches (the Government has already got a plan for your wealth if you don't!).**
- **Travel – It broadens the mind, and is often very good value for money, especially for people not constrained by certain times. How about a European city break? Fortnight on a beach during the UK winter? Road trip across America? Very few people regret the time and money they spend on enjoyable travel.**
- **"Modest" upgrades in your possessions (new computer?), wardrobe (new Levi's rather than Asda-George?), even things like toiletries and cosmetics (Gillette shaving foam vs own-brand cheapo!).**
- **Improvements to your own home – perish the thought! Many landlords have neglected their own home as they have built their business. Maybe now is the time to build that extension or convert the loft (keeping an eye on the added value, naturally!).**

Obviously, some of the above are mentioned a little tongue in cheek, but there is a serious point. Often spending relatively little on things that will make a noticeable day-to-day difference to our lives, but that were once regarded as a luxury, can give most spending bang for your buck.

5 "Bad spending"!

Many readers will expect a comment along the lines of: "expensive cars (or, new phones, gadgets, watches, etc) are bad".

A lot of people enjoy cars, technology, clothes, jewellery, etc, and who is to say they are wrong? We all have our motivations in life and if a Ferrari is your thing, and you've earned the right to buy (or lease!) it, as the saying goes – if not now, when?

A word of caution: shiny things tend to come at a cost (sometimes, shockingly so), and become less shiny over time, generally. Really make sure that you are buying such things for the right reasons ie to fulfil a childhood fantasy or ambition, to appreciate the engineering or what the tech can do … and not just getting sucked into an "Affluenza" (great book, worth a read!) trap of wanting to keep up with the Jones's (or, prove to them that you are now wealthy).

CONCLUSION

It's human nature to want to live a nice life, but for many property investors, financial freedom is the target with no boss, no commute and no uninspiring work. However, property can be a very lucrative business for those with business acumen, access to capital and mortgages, a strong work ethic and a willingness to delay gratification.

But, sooner or later if all goes to plan, the delayed gratification can be replaced with a more relaxed spending approach – the trick is to work out what you want, and spend in a way that gives you the most satisfaction and enjoyment from your hard-earned efforts.

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

MORTGAGE UPDATE

Stuart Yardley
Trafalgar Square Financial Planning Consultants

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

UPDATE

There have been very few changes with BTL lenders this month, but one lender that has just launched some excellent autumn special rates is Precise Mortgages.

Precise have launched a range of products that are available for both personal borrowing and limited companies, and also for HMOs. The products currently include:

75% loan to value/purchase price

- Two-year fixed rate – 2.79%
- 0.5% product fee – can be added to the loan
- Available for personal ownership, limited companies and HMOs
- Minimum loan size – £40,000 for personal ownership and limited companies (HMOs – minimum value £100,000)

75% loan to value/purchase price

- Two-year fixed rate – 2.89%
- £995 product fee – can be added to the loan
- Available for personal ownership, limited companies and HMOs
- Minimum loan size – £40,000 for personal ownership and limited companies (HMOs – minimum value £100,000)

75% loan to value/purchase price

- Five-year fixed rate – 3.19%
- 2% product fee – can be added to the loan
- Available for personal ownership, limited companies and HMOs
- Minimum loan size – £40,000 for personal ownership and limited companies (HMOs – minimum value £100,000)
- Rental assessment rate – 3.19%

75% loan to value/purchase price

- Five-year fixed rate – 3.34% – maximum loan £350,000
- £1,995 product fee – can be added to the loan
- Available for personal ownership, limited companies and HMOs
- Minimum loan size – £40,000 for personal ownership and limited companies (HMOs – minimum value £100,000)
- Rental assessment rate – 3.34%

They have also launched a large loan product which has the lowest rental assessment rate in the market. The minimum loan is £750,000.

60% loan to value/purchase price

- Five-year fixed rate – 2.99%
- 2% product fee – can be added to the loan
- Available for personal ownership, limited companies and HMOs
- Minimum loan size – £750,000
- Rental assessment rate – 2.99%

The five-year fixed options are all assessed using the interest pay rate, so if you own a property where the rent is limiting the capital raising due to the rental stress test requirements, these are excellent options to maximise your lending capabilities.

As a guide on a five-year fixed, they will work on:

Personal borrowing

Lower-rate tax payer – 125% of the pay rate. Higher-rate tax payer or a portfolio landlord – 145% of the pay rate.

Limited company

125% of the pay rate.

With interest rates on the main five-year fixed products, this will give you an option of a rental stress test calculation from 125% at a rate of 3.19% to maximise borrowing.

These are excellent products for specialist lending. Please let me know if you would like any individual illustrations.

NEW TO PROPERTY INVESTING?

I thought this month that I would provide an overview of what you need to do if you are new to property investing and are looking to obtain BTL mortgage finance.

The key to starting off is preparation, and specialist brokers follow a process to prepare our clients for putting in offers.

The first stage after an initial introductory call or meeting is to go through the paperwork. There are a few documents a broker will need you to complete, these are:

- **Mortgage fact find. This provides your full personal and financial situation to allow us to recommend finance for you, and help you understand finance options for your chosen property investment strategy.**
- **At this point, there would be a standard privacy notice and terms of business to review and compliance requirements.**

Once we have the fact find, we would arrange to discuss any factors that need addressing before you can obtain finance, and how your individual circumstances fit in with your preferred strategy. We can then show you example terms and rates for the type of lending you are looking at, so that you can factor these costs into your offers when making them.

Some of the key areas that will dictate the type of finance available for your strategy will be:

- **Purchase prices**
- **Plans for the rental of the property, ie single family let or multi-let, etc**
- **Purchasing in limited company or personal names**
- **Location and type of security**
- **Whether the property is in a lettable condition on day one**

The last point is the most challenging, as with some properties you are making a judgement. It will also depend on what the valuers confirm when instructed by the lender.

Some areas that do cause a problem with being lettable on day one are:

- **Damp issues**
- **Water leaks**
- **EPC ratings below E**

In addition, there are the obvious things, such as no kitchen or bathrooms present.

For a buy-to-let lender to lend on day one, the property generally has to be in a basic lettable condition. Part of our process when a client presents a property they are looking at, is to help and assess the best we can from online photos and any other photos available.

If you are new to property investing and would like me to help you through the initial process and prepare for obtaining finance, please contact me as I would be happy to assist.

PORTFOLIO REVIEWS & PERSONAL REFINANCING

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

There are many factors to take into account that determine whether taking a new rate with the existing lender or moving to another lender is the best option. I would recommend speaking to your broker three months before the rate ends to review all options. If the best option within your current circumstances is to refinance to another lender, then here is a sample overview of some of the rates and terms currently available.

Lender	Loan to Value	Product	Fees
The Mortgage Works	75%	2.19% 5-year fixed	£1,995 arrangement fee added – free valuation and free legal remortgage service provided
The Mortgage Works	75%	2.39% 5-year fixed	£995 arrangement fee added – free valuation and free legal remortgage service provided
BM Solutions	75%	2.52% 5-year fixed	No arrangement fee added – free valuation and free legal remortgage service provided
The Mortgage Works	65%	2.09% 5-year fixed	£995 arrangement fee added – free valuation and free legal remortgage service provided
Virgin Money	75%	1.89% 2-year fixed	£995 arrangement fee added – free valuation and free legal remortgage service provided
BM Solutions	75%	2.36% 2-year fixed	No arrangement fee added – free valuation and free legal remortgage service provided
Virgin Money	75%	1.73% 2-year fixed	£1,995 arrangement fee added – free valuation and free legal remortgage

LIMITED COMPANY MORTGAGE OVERVIEW

If you are looking at a limited company purchase or refinance, here is a sample overview of the market and terms you can expect. Each lender has their own individual criteria on the directors' and shareholders' personal circumstances and company structures, so you will need to discuss them with your broker.

When you are setting up a limited company, I would recommend that, after your conversation with your tax adviser, you speak to your broker to make sure that the structure of the proposed company works from a finance point of view.

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

Lender	Loan to Value	Product	Fees
Precise Mortgages	80%	3.94% 5-year fixed	1.5% arrangement fee
The Mortgage Works	80%	3.29% 2-year fixed	2% arrangement fee
Paragon Mortgages	75%	2.89% 2-year fixed	1% arrangement fee, free valuation, £350 cashback
Precise Mortgages	75%	2.89% 2-year fixed	£995 arrangement fee
The Mortgage Works	75%	3.29% 2-year fixed	No arrangement fee
Precise – Autumn special product	75%	2.79% 2-year fixed	0.5% arrangement fee
Precise – Autumn special product	75%	3.19% 5-year fixed	2% arrangement fee
Precise – Autumn special product	75%	3.34% 5-year fixed (Maximum loan of £300,000)	£1,995 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.

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

Talking Houses
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Tel. 0191 501 8091
www.talkinghouses.co.uk

Boring Buy To Lets Help Secure Your Financial Future

We offer lucrative property deals in the North East! Our below market value investment opportunities will allow you to create an income stream through property and receive excellent returns on investment!

- Purchase Price: £34,000
- Refurb: £15,400
- Post Works Value: £65,000
- Re Mortgage and only leave £650 In Deal
- £202 Positive Cashflow per Month.

- Purchase Price: £31,500
- Refurb: £12,500
- Post Works Value: £55-£60,000
- Rent: £400 Per Month
- Great Return on Investment

- Purchase Price: £45,000
- Refurb: £10,400
- Rent: £425 Per month
- Post Works Value: £70,000
- Refinance & only leave £750 in the deal.

- Purchase Price: £62,000
- Post Works Value: £80,000
- Rent: £475 Per Month
- Refurb: £5,000

- Purchase price: £38,000
- No stamp duty
- Refurb: £12,000
- Rent: £450
- Post Works Value: £65,000
- Only Leave in £5,750 on Refinance.

- Purchase Price: £33,000
- No Stamp duty
- Refurb: £8,000
- Post Works: £55,000
- Rent: £400
- Only Leave £6,000 in The Deal
- 42.7% Return on Investment

If you would like more information then please get in touch on 0191 501 8091 and speak to Mike or Martin and they will be able to help you with any questions or queries you may have.

Join us in London or Durham and Discover what we can do for you.

We let our clients speak for us. Here are some recent clients giving feedback.

The initial conversation I had with Mike, was the most productive I've had in years, it helped me immensely going forward in terms of the deals I should and shouldn't do.

What really impressed me about Mike, was the fact that is so transparent about the deals I shouldn't buy and he took the time to show me and explained why.. Not a lot of people do that.

I am glad that our paths have crossed and with his help I can now build the business I was hoping.

Many thanks again,

Vikram Oswal, *East London*

Working in the property industry myself, I did a great deal of research when I was looking to venture into property investments in the North East. I contacted a number of agents, but when I spoke with Michael at Talking Houses I knew it was the right way to go. His knowledge of the market and the area is second to none, and the process from start to finish was brilliant and if any issues arose, Michael was always readily available to help and you always receive a personal service.

From my first visit up to the North East last year, to seeing the finished refurbished properties earlier this year, I would definitely recommend Talking Houses as the go to for investments and I will most certainly use them again for future property purchases in the area.

Alex Gorman Tooze, *South East London*

Come and join us for an hour to see what we can do for you. It will help you understand the North East property market and what it can do for you.

Please register your place either by email - **info@talkinghouses.co.uk** or on the contact us page on our website **www.talkinghouses.co.uk** or alternatively call us on **0191 501 8091**.

Our places are limited and fill up fast, so please register your interest at your earliest convenience.

Once registered you will receive your ticket via email.

Our upcoming dates

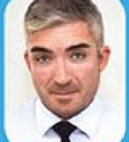
London Marriott - Canary Wharf

Wednesday November 20th. 1 hour consultation slots from 10am till 5pm.

Ramside Hotel - Durham

Wednesday November 27th. 1 hour consultation slots from 10am till 5pm.

Look forward to meeting you there.



Our very best

Mike Massey BSc (Hons)
Founder
Talking Houses NE Ltd

Martin Cockbill
Operations Director
Talking Houses NE Ltd

LEGISLATION UPDATE

By **Mary Latham**

THIS MONTH'S UPDATES ...

Banning Orders

First Banning Order issued

It's happened.

16 months after legislation was introduced enabling local authorities to ask the First Tier Tribunal to ban landlords from letting for a minimum period of 12 months, **the first Banning Order has been issued.**

The Order, banning Mr David Robert Beattie, was requested by Telford and Wrekin Council. They gained a successful conviction and fine because Mr Beattie was letting and managing an HMO without having applied for a licence to do so.

The local authority issued notices of their intention to go for a Banning Order and a Rent Repayment Order, and the case was heard in Birmingham in August. Members of the First Tier Tribunal inspected the property before the hearing. It had seven lettable bedrooms over three floors but only four were occupied at that time. The Tribunal found the property to be in reasonable condition with some fire safety protection in place. Despite that ...

The Banning Order was issued. Mr Beattie had to repay rent of almost £2,000 and is now banned for five years from:

a) **letting housing in England**

b) **engaging in English letting agency work**

c) **engaging in English property management work**

The landlord was given up to 12 months in which to regain possession from the existing four tenants. There is an interesting twist, which I will cover later. You can read the full decision here: **http://bit.ly/YPN137-ML-1**

Section 14 of The Housing and Planning Act 2016 covers **Banning Orders** and **Banning Order offences: http://bit.ly/YPN137-ML-2.**

Introduced as a "***last resort for dealing with the worst landlords***" they can only be used in specific circumstances and where offences were committed after 6th April 2018. These are listed in **(Banning Order Offences) Regulations (2017) Statutory Instrument**: **http://bit.ly/YPN137-ML-3**

> *"3. The following offences are banning order offences—*
>
> ***(a)*** *an offence listed in any of items 1 to 5 of the Schedule, unless the sentence imposed on the person convicted of the offence ("the offender") is an absolute discharge or a conditional discharge;*
>
> ***(b)*** *an offence listed in item 6 of the Schedule;*
>
> ***(c)*** *an offence listed in any of items 7 to 14 of the Schedule if—*
>
> ***(i)*** *the offence was committed against or in collusion with a tenant occupying any housing (or another person occupying that housing with the tenant) or the offence was committed at or in relation to that housing;*
>
> ***(ii)*** *at the time the offence was committed, the offender was the residential landlord or property agent of that housing or an officer of a body corporate who was the residential landlord or property agent of that housing; and*
>
> ***(iii)*** *the offender was sentenced for the offence in the Crown Court."*

THE OFFENCES

1. **Protection from Eviction Act 1977: Unlawful eviction and harassment of occupier**
2. **Criminal Law Act 1977: Violence for securing entry**
3. **Housing Act 2004:**
   - Failing to comply with an improvement notice
   - Failing to comply with a prohibition order
   - Offences in relation to licensing of Houses in Multiple Occupation
   - Offences in relation to licensing of houses under Part 3
   - Contravention of an overcrowding notice

   Failure to comply with management regulations in respect of Houses in Multiple Occupation
   - False or misleading information
4. **Regulatory Reform (Fire Safety Order) 2005:** Fire safety offences
5. **Health and Safety at Work etc Act 1974: Gas safety offences – duties on landlords**
6. **Immigration Act 2014:**
   - Residential tenancies – landlord offences
   - Residential tenancies – agent offences
7. **Fraud Act 2006:**
   - Fraud
   - Possession etc of articles for use in frauds
   - Possession etc of articles for use in frauds
   - Making or supplying articles for use in frauds
   - Participating in fraudulent business carried on by sole trader etc
   - Obtaining services dishonestly

Liability of company officers for offences by company

8. Criminal Justice Act 2003: Specified violent and sexual offences

9. Misuse of Drugs Act 1971:

- Occupiers etc of premises to be punishable for permitting certain activities to take place there
- Prohibition of certain activities relating to opium
- Prohibition of supply etc. of articles for administering or preparing controlled drugs
- Miscellaneous offences
- Attempts etc to commit offences
- Assisting in or inducing commission outside United Kingdom of offence punishable under a corresponding law
- Offences by corporations

10. **Proceeds of Crime Act 2002:**

- Concealing etc. criminal property
- Arrangements
- Acquisition, use and possession

11. **Protection from Harassment Act 1997:**

- Offence of harassment
- Offence of stalking

12. **Anti-social Behaviour, Crime and Policing Act 2014:**

- Breach of criminal behaviour order
- Failure to comply with a community protection notice

13. **Criminal Damage Act 1971:**

- Destroying or damaging property
- Threats to destroy or damage property
- Possessing anything with intent to destroy or damage property

14. **Theft Act 1968:**

- Theft
- Burglary
- Blackmail
- Handling stolen goods

(Source: The Housing and Planning Act 2016 (Banning Order Offences) Regulations 2017)

An offence under section 12 of the Tenant Fees Act 2019 was added on 1st June 2019.

The MHCLG Guidance for Local Housing Authorities, published in April 2018, is a handy guide for all of us: **http://bit.ly/YPN137-ML-4**

Defying a Banning Order is an offence under subsection (1), which carries a summary conviction to imprisonment for a period not exceeding 51 weeks, or to a fine, or both.

THE OFFENCES

FURTHER INFORMATION

Let's look at some of the offences in more detail, because there is potential for landlords and agents to commit these offences from lack of knowledge of the law.

Unlawful eviction and harassment of occupier

Returning to the Banning Order case, one of the most prolific mistakes is to issue a **Licence to Occupy** instead of an **Assured Shorthold Tenancy**.

I was told on social media that the well-known guru who was the first to suggest that this was a legal option, is no longer using Licences to Occupy himself, and no longer advises other landlords to do so either.

Unfortunately this practice is now widespread with people (who should really know better) insisting that it is a legal option, and even taking the trouble to tell tenants that they haven't got "exclusive use" of the bedroom they are renting because cleaners have access … If it was so very easy to avoid the legal obligation of going through the expensive and extensive possession process, why would any landlord or agent do anything else? Perhaps we are stupid and those who use Licences to Occupy understand the law better than we do? I don't think so!

The law defines the status of an occupier. It doesn't matter what the contract says (law cannot be changed by contract). The law is very clear when the default position for a person renting all or part of a property for a rent is defined as a **Tenant**. The contract that covers that relationship with the landlord is an **Assured Shorthold Tenancy** (AST) as introduced in Part 1 Chapter 2 Housing Act 1988. It came into effect on 15th January 1989. See legislation for full details: **http://bit.ly/YPN137-ML-5.**

Regardless of what the contract is called or says, the occupier has the legal possession of all or part of the property until he/she ends the tenancy or the tenancy is ended by a Court Order, which can only be enforced by a Court appointed bailiff. There are no other legal options.

One of the issues in the case above is that the landlord had issued the occupiers with Licences to Occupy, not ASTs. When the judgement was made to ban him from letting, the Tribunal was going to struggle to regain possession. He hadn't complied with the legal requirement that enabled him to issue a Section 21, including the lack of a valid contract. Therefore, his only option was a Section 8, which could take up to 12 months – which is why the landlord was allowed an extra 12 months to empty the property.

In the summary of the case there was note taken of a **previous conviction for Illegal Eviction**. I have been unable to find the details of that case but am fairly confident that it will relate to the landlord thinking that by using a Licence to Occupy he could simply tell the occupiers to leave. **That is Illegal Eviction.**

The reason that the Banning Order was for five years rather than the four the local authority had asked for was:

> *"A ban for 5 years is appropriate as the Respondent has demonstrated a history of deliberately failing to comply with his obligations. The ban should be long enough to deter the offender from repeating the offence and to deter others. We consider that a period of 5 years is proportionate and reflects the severity of the banning order offence and the Respondent's previous convictions under the Protection from Eviction Act. We therefore make a Banning Order for a period of 5 years subject to an exception in relation to the existing tenancies set out in the Schedule to the Order."*

Removing those tenants one by one is going to be an expensive and stressful exercise for this landlord, who could end up running a seven-bed HMO with only one tenant when it comes to the last one.

Failure to comply with management regulations in respect of Houses in Multiple Occupation

I could write a book on this, and one day I will. The number of landlords, and even letting agents, who look blank when I talk about **HMO Management Regulations** is astonishing. It is not an option to let and/or manage an HMO without knowing the full legal obligations.

The gurus don't explain that HMO income comes with HMO workload, which is disproportionally more onerous than a single let. I am not ashamed for being amused when newbies tell me that they have given up 'working' to become landlords. I've been doing something very wrong for the best part of 50 years if being a landlord isn't 'work'.

I am not going to talk about all the things that landlords do wrong when they don't meet these regulations, but if you are letting/managing or considering getting into HMO investment, you need to read this first: **http://bit.ly/YPN137-ML-6.**

See legislation amendment here: **http://bit.ly/YPN137-ML-7** and here: **http://bit.ly/YPN137-ML-8**

FIRE SAFETY OFFENCES

The single most common offence is not understanding the **Regulatory Reform (Fire Safety) Order 2005**.

This regulation calls for all those in control of an HMO, the 'responsible person', to have a **Fire Risk Assessment** (FRA) carried out by a competent person and to review it regularly. The 'competent person' must understand both national and local requirements – many ex-fire officers do these assessments. In the event of a fire, the responsible person would face very serious consequences if a life were lost or a tenant suffered serious injuries and there was no FRA on file, or the recommendations of the FRA had not been followed.

There is some helpful advice with links to relevant documents on the **FireSafe.org.uk** website: **http://bit.ly/YPN137-ML-9.**

LIABILITY OF COMPANY OFFICERS FOR OFFENCES BY THE COMPANY

A recent case makes this very clear.

My thanks once again to Giles Peaker for my favourite blog **Nearly Legal** for this story: **http://bit.ly/YPN137-ML-10**

I won't go into all the details of the case, which culminated in a Rent Repayment Order of £4,242.33 – 20% of the rent collected during the relevant period (£21,211.64). I'll just refer to what's relevant to **Liability of Company officers for offences by the company** ...

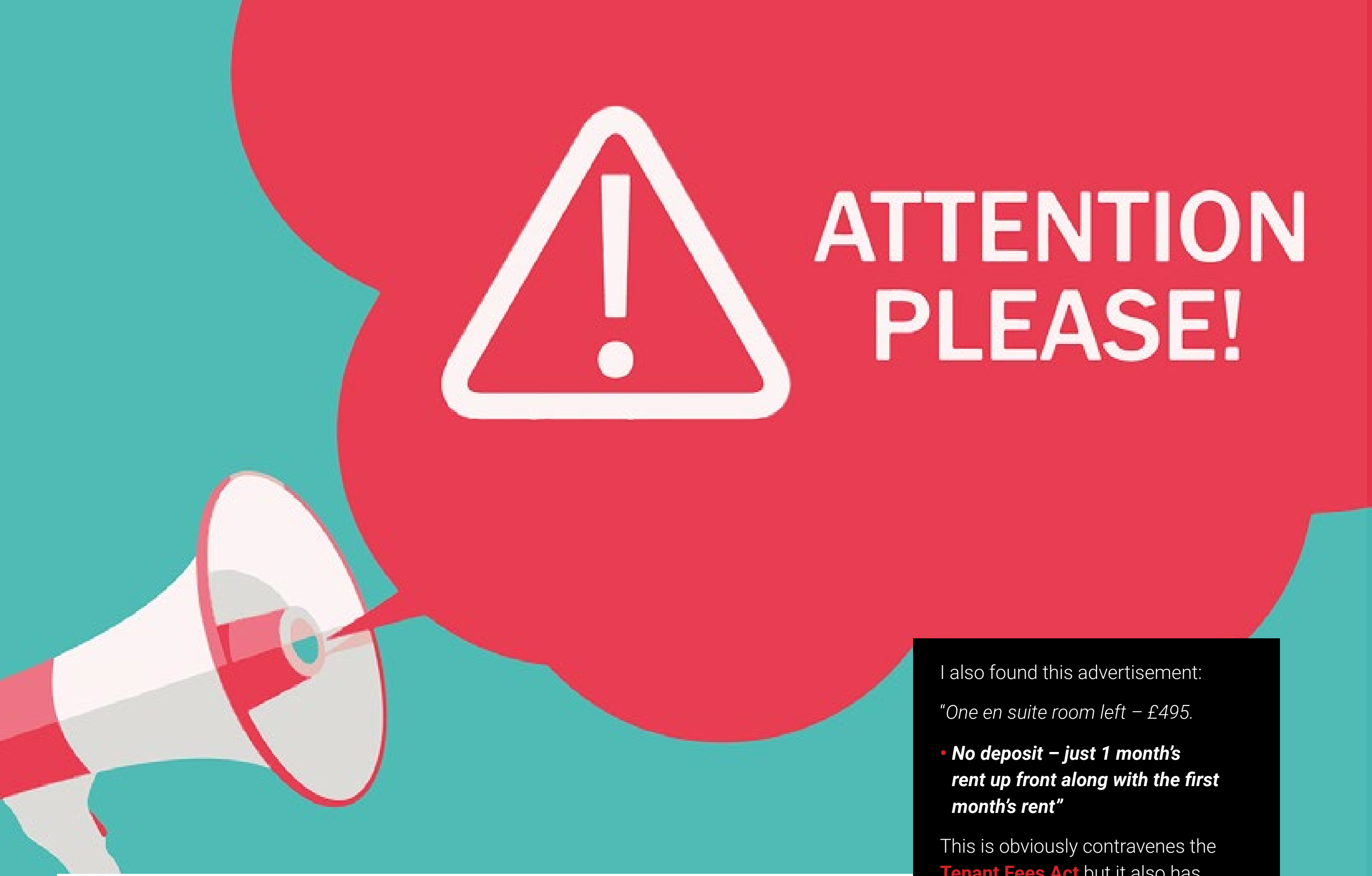
- The property was jointly owned by two people.
- The tenancy agreement named a limited company as the landlord. It was signed by one of the owners on behalf of the company of which he was a director.
- The tenants had named both the limited company and the director who had signed the contract in their claim for a Rent Repayment Order, based on the fact that:

a) the HMO was in a selective licensing area,

b) it was not licensed at the time they lived there,

c) no application for a licence was made until after they left.

- The landlord alleged that an application had been made but that the council's system did not take his payment.
- It became clear that the limited company, named as the landlord in the AST, had no legal interest in the property. It was totally owned by the two directors (only one of whom was named in the case by the tenants). It was judged that the company couldn't be more than an agent acting on behalf of the landlords.



THIS IS IMPORTANT FOR TWO REASONS:

The Housing and Planning Act 2016 says that the Rent Repayment Order (RRO) must be made against the "landlord";

This is an offence which could cause the landlord to be given a **Banning Order**.

The landlord was consequently given the **RRO** and might now face a **Banning Order**.

There are two lessons to learn from this case:

1. The first is obvious – don't set up a limited company to manage your properties hoping to avoid facing legal action in your own name.

2. This landlord had applied for an HMO licence but did not pay the fee. As the fee wasn't paid, the licence application wasn't valid, therefore the tenants had a case. I expect this is why the RRO was for 20% instead of the full rent paid.

An offence under Section 12 of the Tenant Fees Act 2019

This last item to be added to the list of Banning Order offences has, in my opinion, the biggest chance of causing Banning Orders.

This legislation could not be clearer: it lists the fees that we **CAN** charge but there are always those who try to navigate around new legislation.

I read this on a Facebook group: *"My friend is currently about to sign up to a property let and managed by Rentify. They are requesting £60 per month for 'Utility & Communication' service charge."*

I spoke to Rentify, acting as a landlord, who stated £200 for a membership for the tenant, then £60 pm for the utility admin work. I tried to get a clear answer of what type of service they provide but it seems very vague. I also asked whether tenants had a choice; they said no tenants have no choice, but 'sometimes' depending on circumstance they may allow them not to pay. I mentioned the Tenancy Fee Act. They said that since it's a membership and they are paying for a 'service', the act doesn't apply to them.

This is my reply …

> This is unlawful. I expect they are relying on Schedule 1 para 9 (1), which relates to those who are "providing" utilities. Or perhaps Section 2 para 8 (a), which relates to those proving a home find service to the tenant and are not working on behalf of the landlord. If they are, they have totally misunderstood those sections. Under Section 2 3(a) and 5(a), these charges are clearly prohibited.

I also found this advertisement:

"One en suite room left – £495.

- ***No deposit – just 1 month's rent up front along with the first month's rent"***

This is obviously contravenes the **Tenant Fees Act** but it also has the potential to break the **Deposit Protection legislation** because they think it is not a deposit and probably will not protect it.

And finally …

HMRC made me laugh!

HMRC has apparently sent thousands of letters to renters demanding they pass on information about landlords who are not permanent residents in the UK, and warning that they might have to **deduct income tax from the rent they pay otherwise HMRC will fine them**. Tenants must say how long they have rented at that address and how much rent they have paid.

HMRC said:

> *"HMRC is contacting both the overseas owner and any occupant of the property to provide information and help put right any innocent errors made. We understand that some areas of tax can be complex and we want to help customers pay the right tax at the right time, ensuring the continued funding of vital public services in the UK."*

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

ARE ZERO TENANCY DEPOSIT SCHEMES A GOOD IDEA?

BY **DAVID LAWRENSON**

In the past few months, another "Zero Tenancy Deposit Scheme" has been launched. But are these products a good idea? Here, **David Lawrenson of www.LettingFocus.com** takes a look at the pros and cons from a tenant's and landlord's point of view before deciding they are not for him.

Deposits are now limited to five weeks' rent for all tenancies starting on or after 1st June 2019. (Except for where annual rents are over £50,000. For some reason best known to the government, those presumably wealthier landlords can charge six weeks' rent as a deposit.)

We often hear in the press that the issue of finding the money to stump up for a deposit on a new rental before getting the previous amount back, can be a problem for tenants moving from one place to another.

Nil or zero tenancy deposit renting scheme products have been launched as a solution to this problem.

The Zero Deposit product of ZeroDeposit.com is fairly typical of such products. It's backed by leading insurer Munich Re, and ZeroDeposit.com is regulated by the Financial Conduct Authority.

It works like this: the tenant effectively buys a guarantee from the insurance company and this gives the landlord the equivalent security of a six-week cash deposit for up to ten years of a tenancy. The tenant pays the equivalent of one week's rent for the insurance. This is non-refundable.

So, the product actually costs the tenant a week of rent. Perhaps they should be better called "One-Week Rent Schemes"?

Zero Deposits have partnered with The Disputes Service, which resolves any claim disputes. At the end of the tenancy, if the tenant and landlord do not agree about any claims made by the landlord, evidence goes to The Disputes Service, just as it would with a deposit in the other types of the government's tenancy deposit scheme.

The company say they will pay the landlord within two working days of receiving The Disputes Service's decision – assuming, of course that The Disputes Service finds in favour of the landlord. Once they have paid the landlord, they will then chase the tenant for reimbursement. So, the tenant is not off the hook.

IS IT GOOD FOR TENANTS?

Despite not paying an up-front five weeks' deposit in the traditional sense, tenants still remain ultimately liable for financial loss or damages of up to six weeks' rent.

But since its introduction in 2007, deposit protection has seen disputes between landlords and tenants drop to a very low level. I have seen figures claiming that only 2% of deposits go to dispute. And more often than not, deposits are apparently usually returned to the tenant in full.

So, compared with traditional deposits, the only real benefit to the tenant is that the problem of finding the cash for a new five-week deposit before they get the deposit money back on the old tenancy is solved. Well, solved at a cost of a week's rent, of course.

"Now that the average deposit in the UK is around £1,200, there can be no doubt that zero deposit schemes certainly help with tenant cash flows"

In summary, the opportunity to pay less up front is unquestionably appealing for the tenant. Basically, I guess it boils down to them needing to weigh up the cost of losing a week's rent forever in a zero deposit scheme, versus forking out considerably more up front for a traditional deposit, but eventually getting most, if not all, of that money back.

SO WHAT ABOUT LANDLORDS?

Are these zero deposit schemes a good idea for them?

With the capping of most deposits at five weeks' rent, the product of ZeroDeposits.com actually provides for an extra week of cover (ie six weeks) for the landlord – which is a good thing.

The scheme I use is a traditional insurance-based scheme, run by MyDeposits. For a one-off fee of about £20 for each tenancy protected, the insurance runs for as long as the tenancy. In return, I get to keep the tenant's deposit for the whole term of the agreement – and earn interest on it too. (I guess I could offer to pay back the interest I earn on the deposits over to the tenants under my tenancy agreements, but I choose to use the cash to keep my rents down!)

At the end of the tenancy, I only have to make sure I have the cash available from somewhere to return the deposit to the tenant. Less, of course, any deductions for damages over and above fair wear and tear, cleaning or unpaid rent.

So far, I have only made deductions in about 3% of my tenancies. One was for the whole amount, and the others were all for less than £200. All the deductions were agreed by the tenant and none were disputed.

Keeping the money is great for my cash flow and the interest earned on the money is nice too.

Of course, the useful idiots in Generation Rent and Shelter would doubtless say something along the lines of: "*Well, the tenant could do with that cash flow too – and it is hard for them to pay another deposit while waiting to get the money back off their old deposit*." And there is some truth in what they say.

BUT THERE IS A BIGGER REASON WHY I LIKE IT THAT WAY

When we assess tenants, we do reference and credit checks, and look at tenants' bank statements. We want to know that the tenants can afford our rents comfortably.

But if a tenant could not afford to pay a five-week deposit because they were waiting for the deposit to come back from their last tenancy, that would indicate to me that they must be only a month or so away from not being able to pay the rent at all.

And that is not the sort of tenant I want and is the main reason why I won't be offering zero deposit tenancies any time soon.

Maybe one day the government – either BoJo or the Magic Grandpa variety – will enforce that we can only do these sorts of zero or nil tenancy deposit schemes. Until they do, I'm sticking with doing things the way I have done them to date, and I'm still taking a five-week deposit!

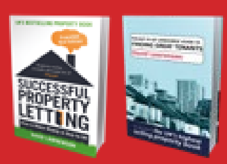
FINAL TIPS ...

There are some key things to remember with all tenancy deposit schemes:

- First, always make sure to have a thorough, independent inventory done by a professional inventory company at the start and end of the tenancy. If you don't do this you won't be able to evidence any damages, losses or lack of cleaning and this will mean you won't be able to take a penny from a deposit for damage or lack of cleaning.
- Second, remember to send the tenant both the prescribed information leaflet and a signed copy of the tenancy deposit scheme certificate within 30 days. If you don't you could face a penalty of up to three months' rent and not be able to serve a Section 21 notice to get possession. If that happened, you could be stuck with a problem tenant for a very long time!

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

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



YPN TOTAL SA

WHAT DO YOU WANT OR NEED TO KNOW ABOUT SERVICED ACCOMMODATION?

Are you planning to start, reboot or scale up your serviced accommodation business over the next few months?

Are you getting the most from your serviced accommodation investment and marketing spend?

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

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

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

It also gets confusing. Why?

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

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

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

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

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

TOTAL SA webinars run twice a month, on Tuesday evenings at 8pm. Next session 5th November, when we talk to Stuart Yardley about mortgage finance for serviced accommodation properties.

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

What members are saying …

"Very informative, I'm looking forward to the next instalments."

LAUREN CURANT

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

DANIEL WILSON

WHAT WILL YOU DISCOVER?

Here's a taster …

The different types of SA

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

Finding suitable properties

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

Inspirational case studies

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

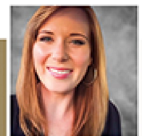
Finance and funding

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

Fitting out

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

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



Webinars are hosted by YPN team member Michelle Cairns and SA specialist Richard Evans.

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

A WIND OF CHANGE

GRAHAM KINNEAR

Few can deny that the buy to let and the property sector generally have sustained significant change over the last few years. Indeed, our current economic and political environment are such that further change is almost inevitable. And so, this month I thought we could take a look at some of those potential changes, as well as the ongoing impacts of some current policies.

Embracing change is important to the growth and sustainability of a business. There have been a number of high-profile firms who have recently entered administration, and it is often cited that their failure is due to their inability to adapt to change or as a consequence of a political or economic issue (that "B" word!). They needed to consider the altering behaviour of their customers and the regulatory regime within which they work.

The property sector is no different. Landlords should be carefully calculating and making allowances for the further effects of Section 24 relating to the ability to offset mortgage payments for tax purposes. The changes, once fully implemented over the next two tax years, will mean some deals that would have previously been viable will become less so, and it may even require you to use a different vehicle entirely to acquire property.

For those who are highly geared with bank lending, it may require a complete overhaul of your business to remain in profit. You must not underestimate this tax change. It is almost unique to property businesses whereby you are taxed more upon the turnover rather than the profit of your operation.

The government are currently consulting on the abolition of Section 21 notices, and it is widely rumoured that this potential policy will be enacted. I believe this could have a significant effect on the housing market as it will, in essence, create assured rather than assured shorthold tenancies.

Lenders may view lending in such circumstances as having more risk, as they did prior to the 1988 Housing Act, which introduced assured shorthold tenancies. They may therefore have a reduced appetite for it or may seek to gain a greater return to offset their greater risk.

Given the inability for an individual to offset mortgage payments, this could create a double blow for the landlord.

> "An additional issue relating to the abolition of Section 21 notices could be some pressure for rent controls. If landlords are unable to use the non-fault eviction process, then it is possible they may seek to encourage their tenants to vacate by increasing the rent"

This is particularly likely if, in parallel to the abolition of Section 21 notices, the court system is not streamlined and improved for those possession hearings proceeding under Section 8. Draconian rent increases may therefore be met with some legislative change to prevent landlords increasing rents.

Lenders may further be nervous about this, because the landlords' inability to increase rents could lead to the borrowers' inability to meet mortgage payments as interest rates increase.

Another change landlords are starting to become aware of is local authorities seeking to charge council tax on individual rooms within an HMO rather than billing it as one building. For those who have significant mortgages on HMOs or those who operate rent-to-rent HMOs, this could have a devastating impact upon your profit margins and the viability of your projects.

Until the policy is implemented fully, it creates an uneven playing field. Landlords cannot ask the tenant to pay the council tax as long as there is another property locally that is rated as one building and the council tax is included in the rent.

For those committed to our business for the long haul, there could be opportunities. Section 24, once fully implemented, means that fewer people will enter the property investment arena unless they have a significant deposit, and lending restrictions following an abolition of Section 21 notices may create further barriers to entry.

Those left in may find less competition when acquiring units and a flattening of prices where demand has eased.

Change is ongoing, not least given the current unfolding political environment and the seemingly relentless attention being given to housing. In order to survive it is imperative that you understand these changes and adapt your property business to accommodate them.

Perhaps this month it would be a useful exercise to stress test your business to establish your results once Section 24 is fully implemented, and your reliance on lending institutions. In addition, it may be prudent to explore what other property strategies or opportunities are available with a view to diversifying and potentially reducing the risk to your business. After all, failing to plan is planning to fail!

As always I am happy to assist readers of YPN and can be contacted on 01843 583000 or graham@grahamkinnear.com

Graham is the author of "The Property Triangle".

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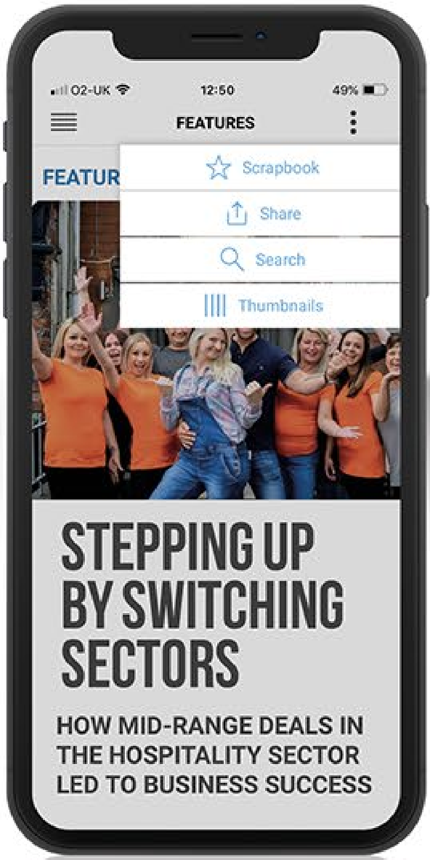

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Please note, your postcode must be in caps and have a space in the middle.

YPN

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

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

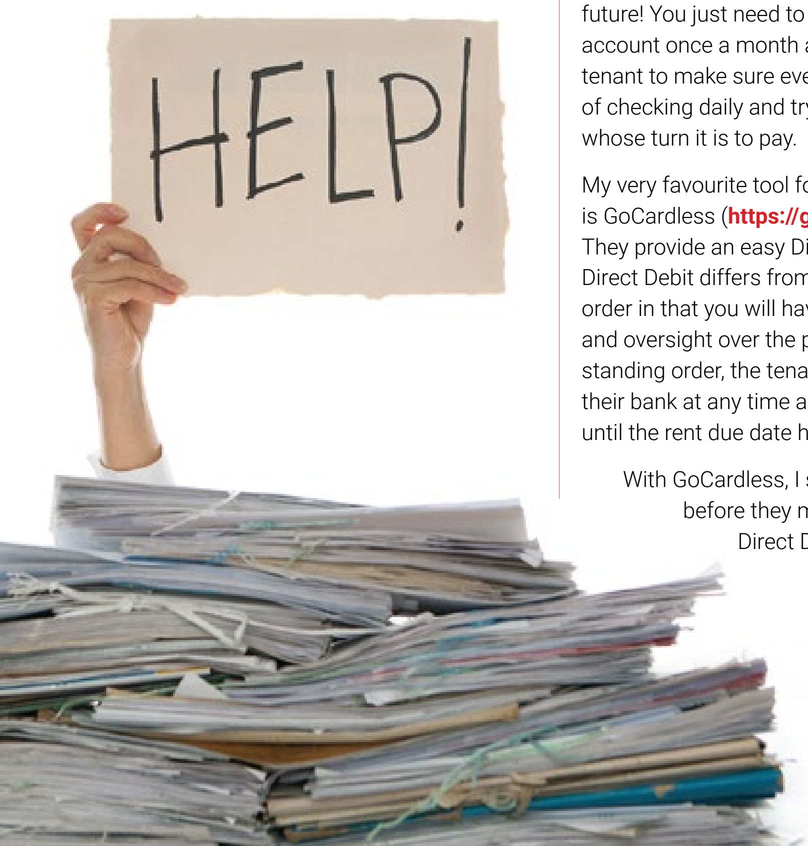
HOW TO SIMPLIFY COLLECTING RENT FROM YOUR TENANTS

JACQUIE EDWARDS

I don't think enough people talk about the admin side of property investing. Most people talk about the exciting stuff, like how to find a deal, how to do refurbishments and even how to find tenants … but once you've done all those things and the tenants are in, then it's time for ADMIN.

One of the most important pieces of admin is to make sure your tenants are paying their rents on time. We will talk about referencing next month to make sure you're getting the good tenants who are most likely to pay. But you still need systems in place to make it as easy as possible to tally up the rents received.

First of all, if you are collecting rents in cash – STOP! I might do this for a first rent payment from a foreign tenant who hasn't set up their UK bank account yet, but otherwise cash rent collections are a nightmare. All the responsibility is on you to chase the tenant, set up a time, provide a receipt and go to the bank to deposit the money. Let's look at some easier ways!



You need to be collecting all your rent on the same date every month. I know that it can be easier at the beginning of a tenancy to have tenants pay a month's rent the day they move in, and make that move-in date their rent payment date going forward.

> "Most of us don't even think about it … but as you build to five, ten, 20 or 50+ tenants, it turns into an admin nightmare to keep track of who is paying and when. You'll end up constantly checking your bank account to see who's paid"

Even using clever bookkeeping systems, this one tip is probably the most important one. We collect all our rents on the first of each month. If tenants move in on a different date, their rent is pro-rata'd for the first month and the full month charged from the first of the following month. Although there is a bit more calculating at the beginning, hours of effort are saved forever in the future! You just need to check the bank account once a month and tick off each tenant to make sure everyone's paid, instead of checking daily and trying to remember whose turn it is to pay.

My very favourite tool for rent collection is GoCardless (**https://gocardless.com**). They provide an easy Direct Debit solution. Direct Debit differs from a normal standing order in that you will have more control and oversight over the payments. With a standing order, the tenant can cancel it with their bank at any time and you won't know until the rent due date has come and gone.

With GoCardless, I send the tenant a link before they move in to set up their Direct Debit online, and I can set up payments whenever I'd like to collect money from them.

You can set up recurring monthly payments (or weekly if you prefer to collect rent more frequently). And one of the best bits is that if a tenant cancels their Direct Debit (they can still do that with a quick call to their bank), GoCardless sends me an email right away letting me know so I can quickly get in touch with the tenant to see if there is a problem. They also send me an email if a payment fails, so I don't have to constantly check my bank account to make sure the money has arrived. I know that I've received the money as long as I don't receive an email from GoCardless telling me otherwise.

Of course, it's not perfect. The one downfall to this system is that it normally takes a few days from when GoCardless collects the rent to get into your account. We set all our Direct Debits to remove the money from the tenants on the 27th of each month (this is in their tenancy agreement), so it reaches our account by the 1st when their rent is due.

And the cost?! It is currently 1% of each payment, collected with a cap of £2 (so as long as the amount you are collecting is over £200, you pay 1%). And if you use Xero for your bookkeeping they have a direct link with GoCardless, so it can instantly reconcile all of the payments for you each month for even more simplified admin and more time savings on your part. If you are worried about the cost, you can use that extra time saved to find your next deal, and it will more than make up for it.

By implementing one or more of these tips, you should be reducing the stress from your rent collection in no time!

Jacquie

Property Go-To Girl

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

YOUR HMO Q&A

Hi, and welcome back to this month's HMO Q&A! Each month I take a selection of questions from my Facebook Group **"The HMO and Property Community Group"** and answer them here.

With Rick Gannon

WITHOUT FURTHER ADO, LET'S GET RIGHT INTO IT!

Q) Is it essential to provide car parking?

A) I've spoken to a few members recently who have asked about car parking regarding HMOs, and how important this is to tenants when it comes to selling rooms.

In my own experience, most of our tenants either don't drive or don't own cars. I don't think it's important at all whether your property has a car parking space or not. In my opinion, the location of the house and its distance to public transport links is more important than having the ability to park a car outside.

With our few houses that do have parking spaces, it's actually more of a burden than it is a bonus. Tenants sometimes park in front of other people's cars and block them in … which means that you might receive some early morning calls asking for cars to be moved so they can get to work!

Visitors can sometimes cause problems too when the pop by for a visit. If you end up with a house with one or two parking spaces, don't be tempted to allocate them to any specific tenants – even if they offer to pay you a premium. If someone else parked in their space, the tenant could ask for a refund. My advice is to operate on a first come, first served basis.

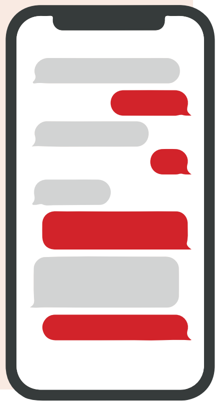
Q) It seems that I can't get away from managing my tenants. I have created several WhatsApp groups for each house, and now I've done that, I seem to be constantly immersed in the groups. How can I start to distance myself from micro-managing my properties?

A) This is a great question. Loads of people that I speak to on a daily basis have set up WhatsApp groups for their properties thinking that it's a great idea – it's their point of contact with the tenants and they can manage maintenance easily.

Personally, I don't like it. By setting up a WhatsApp group, you're going to be constantly immersed with the group and after a while, it will be very difficult to leave. My advice is to not set one up in the first place, and you won't be totally absorbed in them!

You might find yourself becoming completely drawn in by just reading the tenants' messages. Maybe they're discussing a party they had last night, which may result in you thinking you need to visit the house to conduct an inspection.

Instead, have a system in place that allows tenants to report maintenance, either using an online system such as GoTenant, or by providing your maintenance manager's phone number. If you decide on the latter, you can organise a pre-determined budget with your maintenance team, and tenants can call them directly with any issues. Using either of these simple systems would allow you to finally divorce your WhatsApp groups!



Q) How do I make sure my tenants are not using drugs in the property?

A) I've seen several reports this month in the Facebook group about tenants smoking illegal substances in HMOs, and people have asked how best to deal with it. I don't think there is a right or wrong way of dealing with drug-using tenants, but this is what we do.

We are very proactive. When the tenant initially checks in, we explain that we have a zero-tolerance drugs policy, and if they are caught smoking or storing any illegal substances on the premises, they will be served notice – within the realms of the law, of course.

Here's an example. Room Five is reporting that Room Four is smoking cannabis. In the first instance, we email the tenant in Room Four and explain that we've had some reports of smelling cannabis within the property, and that we do not tolerate this type of behaviour. We hope that it is a one-off, but if it happens again we will be forced to take action.

Of course, we hope that the warning is enough, but if we keep receiving reports then the next step is to organise a room inspection giving 24 hours' notice – yes, I understand that by doing this, they can get rid of any paraphernalia.

However, the smell of smoke will linger, and you'll be aware of it as soon as you open the door.

If this is the case and it's obvious that they didn't take heed of our first warning, we will serve them notice under Section 21.

If you are suspicious that the tenant is dealing, growing or cultivating drugs, then you must call the police. They will deal with it from that point onwards. Depending on the outcome, you can serve a Section 8 notice if the tenant is prosecuted or a Section 21 if not.

Q) What is the best way to conduct tenant referencing?

A) There have been some very interesting conversations this month in the HMO and Property Community Group regarding tenants falling into arrears, and how we can prevent it from happening in the future.

It would be great if we all had a crystal ball and we could all see into the future … but unfortunately, tenants falling into arrears is part and parcel of being a landlord. No matter how much due diligence we do, it will inevitably happen at some point.

I recently had a tenant who, two months into his AST, decided to move back to his hometown in Scotland. He called me and said: *"It's okay, I've left the keys. You can just go and sell the room again."* I think he actually expected me to say something along the lines of: *"That's absolutely fine. Don't worry. Thank you so much for going two months into your tenancy without giving me notice."*

How do we make sure that we do as much due diligence as possible when it comes to tenant vetting? We have a system that allows us to do pre-qualifying checks with tenants before offering a tenancy.

First, we advertise online on websites such as Spareroom.co.uk. When a potential tenant contacts us, they are automatically invited to complete a "Getting to Know You" form. It comprises of some questions that allow us to see if the person will be suitable for a tenancy with us. If they're not, then there is no point in going ahead with the viewing.

What do we ask?

1. **Why do they need to move?**
2. **Have they ever missed a rent payment?**
3. **Have they ever been in arrears or paid rent late?**
4. **Do they have a criminal record?**
5. **Do they have any County Court Judgements or bankruptcy orders?**
6. **Have they ever been evicted or asked to leave a property?**

I understand that it is all self-declaration. Indeed, they could lie … but this is just the first step. If and when they pass this initial test, we will continue with the due diligence process. Most people are honest, and we will look at the form and decide on whether to proceed (or not!) with a viewing. If we need any more information, we give them a call.

The next step in the process is the viewing. If you're conducting your own viewings, you need to consider the following points:

- **How do they conduct themselves?**
- **Are they polite and friendly?**
- **What is their body language like?**
- **Do they look presentable?**
- **Would you be happy for a member of your family to live with them?**

Presuming everything goes according to plan and the tenant wants to move forward, the next step is to give them an application form to complete. This is where we ask for references from their current employee and previous landlord. We also advise them to take provide a guarantor if there are any problems in the future.

Once all the references are back and we're happy that the potential tenant is suitable, we need to see a proof of income. Can they afford to pay the rent?

"We use a system called lettingref.co.uk. It is a pay-as-you-go system where you input the tenant's details in and pay for the application on a case-by-case basis. It will create an affordability check and will provide a credit score for the applicant. The report will also inform you of any County Court Judgements or bankruptcy orders in the prospect's name"

Once all this information has been collated, it's time to explore social media. Take a look at their Facebook profile to see if there are any obvious giveaways. Also, conduct a Google search on their name … you may be surprised what might comes up! If they had a criminal record in the past, it may well be in the public domain and therefore listed on Google.

Of course, there are many companies who will do this for you, as well as offer some sort of rent guarantee insurance. We choose to do it all in-house – it's not that difficult and it doesn't take long to do.

My advice is that if you're not sure, then simply don't take the tenant. You're not obliged to do so. Stick to your referencing procedure at all costs … it's better to have an empty room than a tenant in occupation who isn't paying any rent.

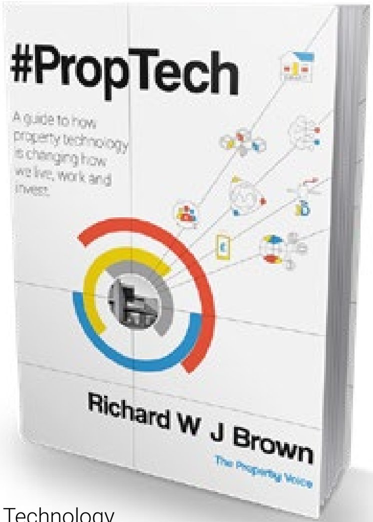
That's it for this month! If you have any questions, please contact the YPN team or send them to post them on *The HMO and Property Community Group* on Facebook.

Rick

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

PROPTECH A GUIDE TO HOW PROPERTY TECHNOLOGY IS CHANGING HOW WE LIVE, WORK AND INVEST

BY RICHARD W J BROWN



The idea for this book was conceived when Richard started to notice new technologies crossing over to property. Richard has already written many PropTech articles in the pages of YPN, and in this book he elaborates further to define PropTech and its impact.

It's clear that PropTech is progressively impacting real estate to increase profitability and productivity. Technology in real estate has been omnipresent, but its speed of implementation is now particularly noticeable.

In the introductory chapter, the general advancement in technology is discussed, and Richard reviews three key elements including information, transactions and management. The key enablers of these technology drivers are hardware/software development, mobile communication and the internet. He sees a number of areas developing rapidly including ConTech (construction technology), smart homes and audio-visual – these and other topics are the subject of the rest of the book.

In **chapter one**, Richard discusses ConTech, which is helping create new materials, tools and techniques, and explores how this technology can help build better homes, perhaps faster. He highlights upcoming advances including new building methods such as modular construction. He also describes the increasing use of 3D printing and robotics – 3D designs have already been used to program machines to reduce the time and cost of building homes.

ConTech is also having an impact on the development of building materials which are more sustainable, more durable and more energy efficient – examples include new forms of concrete, use of graphene, nanotechnology and mould-resistant fungal houses (had to laugh at that one as fungus = mould!). PropTech will also impact the way we will live, including co-living, BTR, micro-homes and short-term renting.

In **chapter two**, Richard covers smart technology homes, a sector being driven by major players like Google and Amazon. This has been largely facilitated by smartphone connectivity (wireless internet). Technologies allow devices to communicate with each other (aka The Internet of Things) – just think of the systems in your home that are controlled by your mobile devices, eg heating, lighting, safety and security. This expansion will continue and extend to assisted living for the ever-increasing aging population.

Chapter three focuses on why and how various systems, apps and tools have come about and what's in store. The section on big data alludes to the fact that individuals and companies generate a lot of data via the internet and this is being used to tailor services and products. The real estate sector including estate agents, solicitors and surveying will all benefit hugely, but only if technology is embraced. Artificial intelligence (AI) which is closely linked to big data and involves the ability to analyse massive amounts of data is also discussed. Some AI is already with us, but much more is yet to come. Current examples are Chatbots available 24/7, eg Travelbot, and others have been developed for property eg AskPorter (property management). The final section of this chapter provides a useful list of tools and apps for the property investor.

In the next chapter, Richard discusses audio-visual advances which allow the user to "see" projects, eg computer generated images (CGIs) and 3D walkthroughs. Other advances include augmented reality (AR) and virtual reality (VR) – the latter has progressed significantly and gives users the feeling of being present via a VR headset and suitable software. Some property agents and developers are already applying this technology.

Chapter five discusses the sharing economy, and includes a myriad of terms and definitions. Essentially it involves a transaction, with assets and services being shared with other parties in exchange for payments. Key examples include Airbnb and Uber – Richard covers the growth on this sector and the shift away from ownership that is driving this sector. He then discusses some benefits for property investors and the challenges ahead.

The next chapter covers financial technology (FinTech) and Richard highlights that some antiquated paper-based processes are beginning to change with huge benefits to the finance industry. In **chapter seven,** Richard describes "blockchain technology" and covers cryptocurrency and the infrastructure behind this digital asset and describes other blockchain platforms that have extended to the property sector.

In **chapter eight,** Richard tackles education (EdTech) and covers learning styles and the price of learning before turning his attention to developments in EdTech that will aid learning. He describes ways one can educate themselves in property including:

1. **self-directed learning (books, online).**
2. **structured options such as training companies.**
3. **learning by shadowing (eg tailored coaching and mentoring).**

In the final chapter, Richard explores future global megatrends and the challenges and opportunities they represent, eg economic and demographic shifts, accelerating urbanisation, and he discusses how technology will play a key role. He also includes a section on smart cities – the effective integration of various systems (physical, digital and human) to impact transport, energy and waste management. The book finishes with some concluding thoughts including: *"Technology is cool, but you've got to use it as opposed to letting it use you."* – Prince.

WHO IS THIS BOOK FOR?

I found this book an interesting read – it was tough in places due to the many unfamiliar terms and ideas. Readers interested in PropTech are encouraged to focus on those areas and dig deeper. Each chapter is conveniently finished with a useful comparison table and summary.

It's clear that only time will tell which cutting-edge PropTech ideas are adapted or fall by the wayside.

Book reviewed by:

Raj Beri

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

Book Details:
Available from **Amazon** Date published: **2018**

THE STORY OF STEVE

THE WORST STOCK MARKET TIMER IN HISTORY!

By **Marcus de Maria**

I recently read an interesting article by a chap called Ben Carlson. Not only because of this man and his story, but the learnings that came from his unhappy timing of the market. I have adapted the story for the purposes of this article.

It was about a man called Steve, who just wasn't very good at timing the market. Actually, that's an understatement. It was almost as if this man had the opposite of the Midas touch – he invested right at the top of every market … terrible timing.

Steve was literally the worst stock market timer in history. And what I am about to reveal is his sequence of dreadfully timed stock purchases.

Steve started a job in 1970, aged 22. He was a diligent saver, a trait he inherited his parents. Most importantly, Steve had a plan … or so he thought.

He wanted to save £2,000 a year during the 1970s, and bump that amount up by £2,000 every ten years, until he could retire at the age of 65 by the end of 2013.

So, £4,000 a year throughout the 80s, £6,000 a year in the 90s then £8,000 a year until he retired. In 1972, after saving three years, he had £6,000 sat in his bank account.

He had heard on the grapevine that it was possible to make good money in the American stock market. He didn't know much about it, so he decided to keep things simple and invest for the long term. However, he only had the courage to put his money to work after he could see that the market had been going up for a while. At the end of 1972, he placed his entire savings of £6,000 into an S&P 500 index fund.

To his dismay, the market dropped by nearly 50% in 1973-74. He had put his entire savings in at the peak of the market just before a crash, and stood by as he watched his savings get cut in half. He didn't know what to do! He couldn't sell because he would lose too much money, and he didn't want to make another bad decision. So he decided to wait.

"Steve felt insecure about his decision to make money in stocks. He started to question whether it was for him."

He didn't feel comfortable about investing again until the August of 1987 after another huge bull market. Between 1974 and 1987, he had saved £46,000 and he decided to invest in another S&P 500 index fund.

Unfortunately, this was just before the Black Monday of 1987. Overnight, the stock market fell by 30%. Steve couldn't believe it – how unlucky could one man be? Scared to get out at the wrong time, again he decided not to sell at a loss.

By this point, Steve's attitude towards the stock market had changed. He couldn't see how people were able to make money, and he no longer felt comfortable investing any more of his savings.

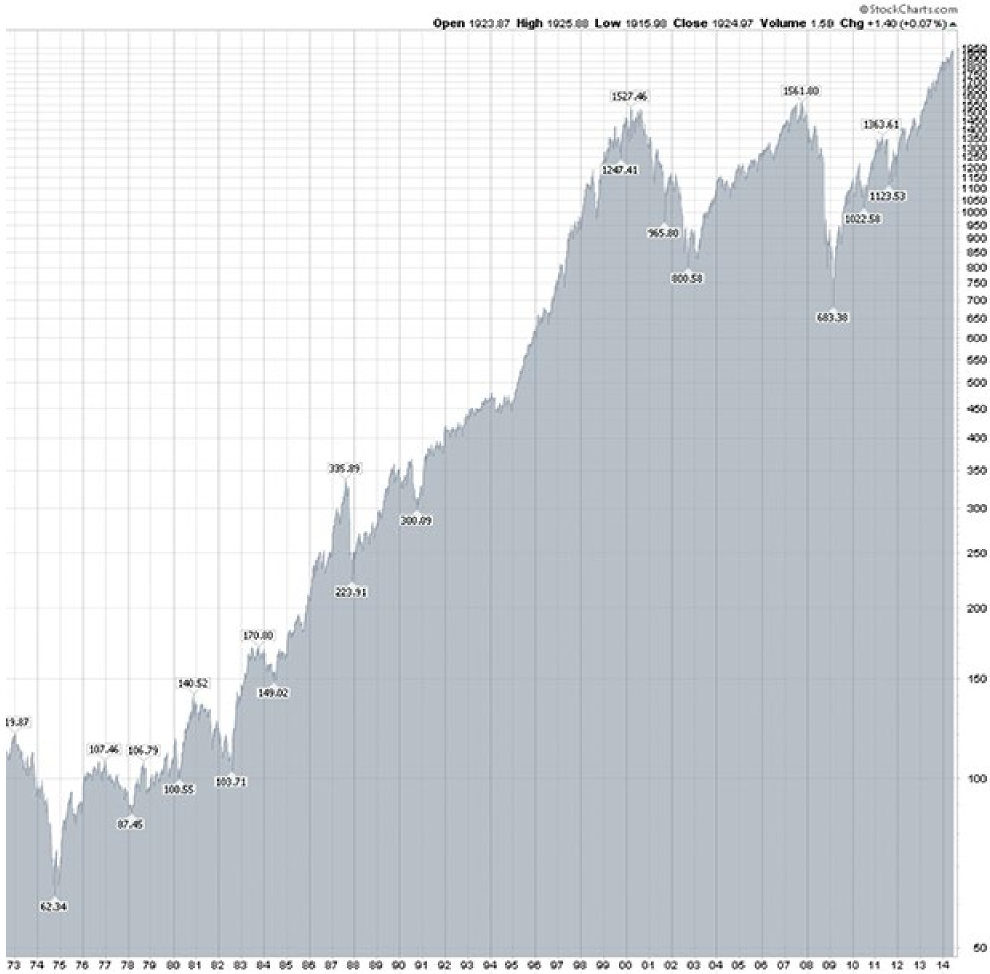
However, during the 90s there was another rampant bull market, and stocks were doubling every few months. At the end of 1999, Steve took a deep breath and invested the £68,000 he had saved since the last crash. Surely it had to work this time ...

But at the end of December 1999, there was a 50% downturn that lasted until 2002. That's right – Steve had invested his life savings into the tech bubble and it had burst overnight. Talk about the worst market timing!

Vowing to never invest again, Steve decided to save as hard as he could every year. However, he made one final investment of £64,000 in October 2007. The market had been rising since 2003, and he felt it was safe to give it one last shot. You guessed it – he invested right before the credit crunch.

After that financial crisis, he decided to only continue to save and never went back into the market again. So instead of investing his money, he kept it in the bank with nearly 0% return, amassing another £40,000 in cash. Steve retired in 2013, according to his plan.

But what about his investments? What happened to them?



Remember that when you lose 50% of your investments, you need 100% growth to just break even. Most people don't realise that.

Losing money is not a good thing to do and Steve had done this several times. He really was the world's worst market timer, with his only stock market purchases being made at the market peaks just before extreme losses.

Do you want to know what happened to his savings that he had spent a lifetime working for?

Steve never sold his shares. Not even once. He didn't sell after the bear market of 1973-74, or the Black Monday in 1987, or the technology bust in 2000, or the financial crisis of 2007-09. That was his one saving grace.

Even though he only ever bought at the worst time, he still ended up with £1.1m.

How could that be, you might ask?

First of all, Steve was a diligent saver and had planned out his savings in advance. He continuously saved every year and increased the amount he saved every ten years, according to his plan.

Secondly, he allowed his investments to compound for over 40 years by never selling out of the market.

Thirdly, if he received any dividends, he would re-invest them.

Finally, he had a very simple and low-cost investment plan — one index fund with minimal costs.

Obviously, this story was for illustrative purposes and I wouldn't recommend a portfolio consisting of only stocks from a single market like S&P 500, unless you have an extremely high tolerance to risk. And if you did want to do what Steve did, it's a lot safer to have a balanced portfolio in different global markets with a sound rebalancing policy.

What can we learn from this story? When I discussed it with my team, they came up with the following:

- **Make sure investing in the long term is part of your financial strategy.**
- **Saving your money so that you have something to invest is the basis of wealth. Too many people spend their money and don't put anything away for a rainy day.**
- **Taking action to invest is essential. Too many people save but don't invest.**
- **Time is the great friend of compound growth. The earlier you start, the better.**
- **Keep adding to the pot – the more you have, the more you will make.**
- **Don't be perfect – just do something and you might wake up one day a very happy person**.

"Make sure investing in the long term is part of your financial strategy"

WHAT DID YOU LEARN?

Please note: If he would have used well-known long-term investing strategies, like our PCA and VCA, Steve would have been up by over £2m.

To get these and other strategies, including the Buffalo strategy, you can download my book, The Lunchtime Trader, where you can find all the long term stock investing strategies you need. Just go to **www.investment-mastery.com/ypn-landing-page**

BUSTING THE 5 BIG MYTHS ABOUT HMOs

SIMON ZUTSHI

In this article, I want to bust the five main myths about HMOs. I've been an HMO landlord since 1998, and I meet a lot of investors who want to start investing with this strategy, because it is one of the best for quickly replacing an income.

However, a lot of people are put off by some of the myths. Most are not correct or are half-truths. Otherwise, believing what you hear could prevent you from using this strategy, which ultimately could be costing you a fortune.

MYTH 1

There is an oversupply of HMOs everywhere so you shouldn't invest in them.

This is a half-truth and a massive generalisation. Let's be honest here, there are lots of HMOs, and in most areas there is probably an oversupply. But if you look at the quality of the rooms actually available (by going on to www.spareroom.co.uk), you will see that most of the accommodation is very average and very plain. I firmly believe that if you have a good HMO with higher standards than others in the area, you should always be able to find tenants to fill your rooms.

So yes, if you're trying to do a very average and bog-standard HMO, there is an oversupply. But if you're offering a better quality, people will always want to live there, and may be prepared to pay more money.

MYTH 2

HMOs are a lot more work than single let properties.

I would agree. One HMO is more work than one standard BTL property. But if you look at the income you can create from a good HMO, it's equivalent to about four or five single let properties. So to make a fair comparison, you should look at the amount of work involved with one HMO compared to four or five single lets. I would suggest one HMO is not actually that much work.

When you know what you're doing and you have great systems in place, it needn't take much time to get your HMOs up and running.

MYTH 3

Every HMO needs an HMO licence.

This is incorrect. An HMO is a property that has three or more unrelated people living in it. However, not all HMOs need licensing.

The government guidelines that came out in October 2018 say that if you have a property with five or more tenants, then you need an HMO licence. Some local councils interpret this differently and insist that you need a licence if you have three or more tenants.

The key here is to contact your council's HMO licensing department and understand what the requirements are for your area. If your HMO does need a licence, it involves filling in an application form, providing a floor plan to show where the fire doors and smoke alarms are and, of course, paying the licence fee.

You need to make sure the property is set up correctly with all the safety requirements. You have a moral and ethical responsibility, as well as a legal responsibility, to make sure you're providing safe accommodation for all your tenants.

MYTH 4

All HMOs need planning permission.

Again, this is not correct. Planning can be a little bit complicated, so I will keep it as simple as possible.

If you have a large HMO with seven or more tenants, it's no longer seen as a residential property. In fact, it has its own planning classification clause called **sui generis** and you would need to apply for planning permission to get a change of use from residential.

In most parts of England, a house can be converted into a smaller HMO for up to six tenants under permitted development. This means you do not need to get planning permission, unless it's in an Article 4 area.

Councils who have applied an Article 4 direction tend to want a restriction on the number of HMOs in the area and so have withdrawn the rights to permitted development. To convert a house into an HMO for up to six people in an Article 4 area, you will need to obtain planning permission. It is often automatically refused. However, if your house meets all the planning criteria, then you may be granted planning permission after appeal.

It is possible to buy an existing HMO in an Article 4 area, as long as it has been used continuously as one since before the direction was placed. In these circumstances, you can apply for a Certificate of Lawfulness, which means you don't need planning permission.

In summary, if you are investing in an Article 4 area, speak to your council's planning department. Find out when the direction came in so you can make sure you have all the correct records. If an Article 4 direction is not in place, then find out whether there are plans for it to be introduced and if so, when it is scheduled to happen. You would need to ensure any HMO conversions are finished and tenanted before the Article 4 direction is enforced.

Another tip is to look at the Article 4 boundaries. There may be half a street within the boundary. This allows you to place an HMO on the other end of the street without any restrictions.

"Depending on area, a good six-bed could generate £1,000 profit per month"

MYTH 5

You need a lot of money to invest in HMOs.

I am inclined to agree that money is required to buy and convert an HMO. However, it doesn't have to be your money – it could be a private loan or the property could be purchased as a joint venture.

There are a few other strategies that don't require heaps of cash. Rent-to-rent allows you to take on another landlord's property in exchange for a guaranteed rent. Renting the rooms separately will create a profit margin – the difference between what you pay the landlord and what you charge the tenants. It's a great strategy, especially if you're starting out.

The other method is a purchase lease option (PLO). This is similar to rent-to-rent, in that you pay a guaranteed rent to the landlord each month, you rent the property out, you make a margin. However, a PLO is more powerful than rent-to-rent, because you also have the right to buy the property in the future, at a price you fix today. Now that's really powerful because you can get potential equity growth, as well as great cashflow from that property. This is one of may favourite strategies and it works very well in the current market conditions.

I hope this article has cleared a few things up about HMOs. If you know what you're doing you can make a huge amount of money. It's not easy, and there is definitely work involved, but your time and effort will be rewarded.

Depending on area, a good six-bed could generate £1,000 profit per month. You probably won't need that many HMOs to completely replace your income and allow you to have the time and freedom to do what you want to do.

Invest with knowledge, invest with skill

Best wishes,

Simon Zutshi

- **Author of Property Magic**
- **Founder, property investors network**

LEARN MORE ABOUT PROFITABLE HMOs

If you want to learn more, then check out my YouTube channel, where there are loads of videos covering HMOs and other strategies that my students and I are successfully using right now. Just search for Simon Zutshi.

Also, why not subscribe to our brand new Property Magic podcast? Available on iTunes.

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

AI Artificial intelligence

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

BPEC British Plumbing Employers Council – qualifications, assessments and learning materials for Building Services Engineering sector

BRR Buy, refurbish, rent out

BTL Buy-to-let

BTR Build-to-rent

BTS Buy-to-sell

C2R Commercial to residential conversion

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)

CIS Construction Industry Scheme – Under this, contractors deduct money from a subcontractor's payments and pass it to HMRC. These deductions count as advance payments towards the subcontractor's tax and NI. Contractors must register for the scheme. Subcontractors don't have to register, but deductions are taken from their payments at a higher rate if they're not registered.

CGT Capital gains tax

CML Council for Mortgage Lenders

CPD Continuing Professional Development

CPT Contractual periodic tenancy

CRM Customer relationship management (eg, CRM systems)

CTA Call to Action

Demise A demise is a term in property law that refers to the conveyance of property, usually for a definitive term, such as premises that have been transferred by lease.

DHCLG Department of Housing, Communities and Local Government (formerly DCLG – Department for Communities and Local Government)

DoT Deed or Declaration of Trust

DPS Deposit Protection Service

EHO Environmental Health Officer

EIS Enterprise Investment Scheme

EPC Energy performance certificate

FCA Financial Conduct Authority

FHL Furnished holiday let

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

GDP Gross domestic product

GDPR General Data Protection Regulation

GDV Gross Development Value

GOI Gross operating income

HB Housing benefit

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

IFA Independent financial advisor

IHT Inheritance tax

IRR Internal Rate of Return

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

OIEO Offers in excess of

OMV Open market value

ONS Office for National Statistics

PBSA Purpose-built student accommodation

PCA Property Care Association, a trade organisation for specialists who resolve problems affecting buildings

PCOL Possession claim online

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)

PRC Pre-cast reinforced concrete. Often used for residential construction in the post-WW2 period, but considered as non-standard construction and difficult to mortgage. Most lenders will not lend unless a structural repair has been carried out in accordance with approved PRC licence, supervised by an approved PRC inspector. Legal evidence of the repair is issued in the form of a PRC Certificate of Structural Completion. (Source: prchomes.co.uk)

PRS Private Rented Sector

R2R Rent-to-rent

REIT Real Estate Investment Trust

RGI Rent guarantee insurance

RICS Royal Institute of Chartered Surveyors

RLA Residential Landlords Association

RoCE Return on Capital Employed

ROI Return on Investment

RP Registered Proprietor, refer ring to the name on the title of a property Land Registry

RSJ Rolled-steel joist – steel beam

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)

S8 or Section 8 Named after Section 8 of The Housing Act 1988. A Section 21 Notice (or Notice to Quit) is served when a tenant has breached the terms of their tenancy agreement, giving the landlord grounds to regain possession. Strict rules apply. See https://www.gov.uk/evicting-tenants/section-21-and-section-8-notices for up-to-date information.

S21 or Section 21 Named after Section 21 of The Housing Act 1988. You can use a Section 21 Notice (or Notice of Possession) to evict tenants who have an assured shorthold tenancy. Strict rules apply. See https://www.gov.uk/evicting-tenants/section-21-and-section-8-notices for up-to-date information.

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'.

S106 Section 106 Section 106 agreements, based on that section of The 1990 Town & Country Planning Act, and also referred to as planning obligations, are private agreements made between local authorities and developers. They can be attached to a planning permission to make acceptable development that would otherwise be unacceptable in planning terms. Planning obligations must be directly relevant to the proposed development and are used for three purposes:

1. Prescribe the nature of development
2. Compensate for loss or damage created by a development
3. Mitigate the impact of a development

(Source: planningportal.co.uk)

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

UC Universal credit

UKALA The UK Association of Letting Agents

USP Unique selling point

VOA Valuation Office Agency

NETWORKING EVENTS

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
1st Thursday of the month
De Vere Conference Suite No. 1
Westferry Circus London E14 4HD
Host: Samuel Ikhinmwin
www.canarywharfpin.co.uk

Clapham pin
1st Tuesday of the month
Landor Space 70 Landor Road
Clapham London SW9 9PH
Host: Stuart Ross
www.claphampin.co.uk

Croydon pin
3rd Wednesday of the month
Jurys Inn Croydon Hotel Wellesley Road
Croydon CR0 9XY **Host:** Stuart Ross
www.croydonpin.co.uk

Kensington pin
2nd Wednesday of the month
Holiday Inn - Kensington High Street
Wrights Lane, Kensington, London
W8 5SP **Host:** Fraser MacDonald
www.kensingtonpin.co.uk

Regent's Park pin
3rd Tuesday of the month
Holiday Inn London Regents Park
Carburton Street London W1W 5EE
Host: Irene Anggard Agnell
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

PPN London St. Pancras 06/11/2019
WeWork Kings Place 90 York Way
London N1 9AG **Hosts:**
Jamie Madill & Steve Mitchell
progressivepropertynetwork.co.uk/stpancras

PPN London Knightsbridge 12/11/2019
Leo Nova South, 160 Victoria Street
Westminster London SW1E 5LB.
Host: Pippa Mitchell
progressivepropertynetwork.co.uk/knightsbridge

PPN Canary Wharf 21/11/2019
De Vere Canary Wharf 1 Westferry
Circus E14 4HD **Hosts:** Kal Kandola
and Diksesh Patel
progressivepropertynetwork.co.uk/canary-wharf

PPN Blackfriars 11/11/2019
Crown Plaza 19 New Bridge St London
EC4V 6DB **Host:** Kevin McDonnell
progressivepropertynetwork.co.uk/mayfair

PPN Bank 04/11/2019
Brand Exchange Members Club 3
Birchin Lane London EC3V 9BW
Host: Michael Primrose
progressivepropertynetwork.co.uk/bank

Premier Property Club - Islington
2nd Wednesday of the Month
Double Tree Hilton Hotel 60 Pentoville
Road N1 9LA **Founder:** Kam Dovedi
premierpropertyclub.co.uk/islington

Premier Property Club - Knightsbridge
3rd Wednesday of the Month
Hilton Hotel Park Lane 22 Park Plane
W1K 1BE **Founder:** Kam Dovedi
premierpropertyclub.co.uk/knightsbridge

Premier Property Club - Canary Wharf
4th Tuesday of the Month
Hilton Hotel Marsh Wall London
E14 9SH **Founder:** Kam Dovedi
premierpropertyclub.co.uk/canarywharf

Premier Property Club - Croydon
1st Tuesday of Each Month
Jurys Inn Croydon Wellesley Road
London CR0 9XY **Founder:** Kam Dovedi
premierpropertyclub.co.uk/croydon

Premier Property Club Wembley
4th Wednesday of each month
Holiday Inn Wembley Empire Way
Wembley HA9 8DS
Founder: Kam Dovedi
premierpropertyclub.co.uk/wembley

Wandsworth-Property-Group
Love Property in N1 Meetup Group
1st Thursday of the Month
The Islington Company 97 Essex Road
N1 2SJ **Host:** Vaida Filmanaviciute
www.meetup.com/Love-Property-in-N1-Meetup-Group

Property Leverage Network - London
1st Monday of the month Pavillion End
23 Watling Street London EC4M 9BR
Host: Karun Chaudhary (07542210168)

Central London Evening Meet
4th Thursday of the month
London Bridge Hotel 8-18 London
Bridge St London SE1 9SG
Hosts: Brendan Quinn and Luke Hamill
www.meetup.com/CentralLondonPropertyNetwork

Central London Morning Meet
See website for details
Grosvenor Casino 3-4 Coventry Street
Piccadilly Circus London W1D 6BL
Host: Brendan Quinn
www.meetup.com/CentralLondonPropertyNetwork

Baker Street Property Meet
Last Wednesday of every Month
Holiday Inn London Regents Park
Carburton Street London W1W 5EE
Host: Ranjan Bhattacharya
www.BakerStreetPropertyMeet.com

Sutton Property Meetup
2nd Monday of the Month
The Ivory Lounge 33-35 High Street
Sutton Surrey SM1 1DJ
Hosts: Johanna and Peter Lawrence
www.meetup.com/Sutton-Property-Meetup

London Property Investor Breakfast
4th Tuesday of the month (7.30am – 9.30am) Doubletree by Hilton 92
Southampton Row Holborn London
WC1B 4BH **Host:** Fraser Macdonald
www.meetup.com/londonpropertybreakfast

UK Property Investors Networking Event Last Monday of the Month
Grovesnor Hotel 101 Buckingham
Palace Road Victoria London
Host: Cornay Rudolph
www.meetup.com/UK-Property-Investors-Networking-Event

The Kensington & Chelsea Property Group 2nd Wednesday of the month
Baglioni Hotel 60 Hyde Park Gate
London SW7 5BB **Host:** Neil Mangan
https://www.meetup.com/The-Kensington-Chelsea-Property-Group/

Property Leverage Network City of London 4th Monday of every month
Dawson House 5 Jewry Street London
EC3N 2EX **Hosts:** Felix Cartwright
& Phil Ash (07856202658)
www.propertyleverage.co.uk

Property Leverage - Southbank
London 3rd Monday of the month
Mulberry Bush 89 Upper Ground
Southbank London SE1 9PP
Hosts: Felix Cartwright & Phil Ash
(07856202658)
www.propertyleverage.co.uk

The London Real Estate Buying & Investing Meetup Group
2nd Tuesday of the Month
Business Environment Services Offices
154 - 160 Fleet Street EC4A 2NB
Host: John Corey
www.meetup.com/real-estate-advice

West London Property Networking
2nd Thursday of each month (except Dec or Aug)
High Road House Chiswick
West London **Hosts:** Jeannie
Shapiro and Pelin Martin
www.westlondonpropertynetworking.co.uk

Wandsworth Property Group
3rd Tuesday of the Month The Alma
499 Old York Road Wandsworth
London SW18 1TF **Host:** Brendan Quinn
www.meetup.com/Wandsworth-Property-Group

Bloomsbury Wealth Investing Network
3rd Wednesday of the month
The Wesley Hotel 81-103 Euston St
Kings Cross London NW1 2EZ
Hosts: Matt Baker & Jo Akhgar
www.bloomsburywin.net

Elephant & Castle Wealth Investing Network 1st Tuesday of every month
London South Bank University Keyworth
Street Keyworth Building SE1 6NG
Host: Sonia Blackwood

Global Investor Club London
2nd Thursday of every month
City Business Library Guildhall London
EC2V 7HH **Host:** Jan Kortyczko
fb.com/GICLondyn **Please note** that
most speakers are presenting in Polish

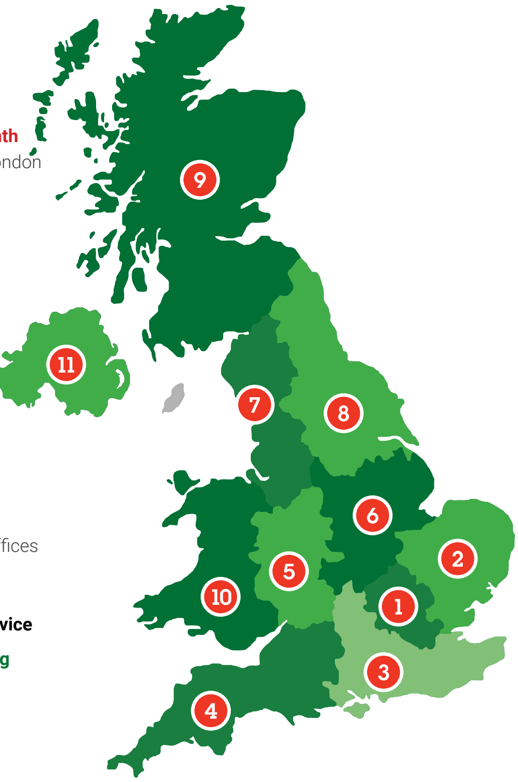
Female Property Alliance
3rd Tuesday of every month
Doubletree Victoria Bridge Place
SW1V 1QA **Host:** Bindar Dosanjh
http://femalepropertyalliance.co.uk

Croydon Property Meet
1st Wednesday of the month
Croydon Park Hotel Altyre Road
Croydon. CR9 5AA
Hosts: Rob Norton and Sel Fayyad
www.croydonpropertymeet.com
rob@croydonpropertymeet.com
sel@croydonpropertymeet.com

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups

London West Smith's Cocktail Bar
Brook Green Hotel 170 Shepherd's Bush
Road Hammersmith London W6 7PB

London East Property Hub Invest 1
Naoroji Street London WC1X 0GB



Rent 2 Rent Live!
11th November 2019 6.30pm – 9pm Citi-zenM Hotel, 40 Trinity Square, London EC3N 4DJ (event access via 7th Floor bar/recep-tion).**Host:** Steve Curtis
facebook.com/Rent2RentLive

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: Chris Jones **www.norwichpin.co.uk**

PPN Ipswich 11/11/2019 Ipswich Golf Club,
Bucklesham Road, Ipswich, IP3 8UQ
Host: Halstead Ottley
progressivepropertynetwork.co.uk/ipswich

PPN Peterborough 18/11/2019
Holiday Inn Thorpe Wood Peterborough
PE3 6SG **Host:** Josh Shaw
progressivepropertynetwork.co.uk/peterborough

PPN Brentwood 05/11/2019
Holiday Inn Brook Street CM14 5NF
Hosts: Sarah and Tony Harding
progressivepropertynetwork.co.uk/brentwood

Colchester Property Circle
2nd Thursday of each month - 7.30pm
The Greyhound Pub, High Street, Wivenhoe
CO7 9AH **Host:** Phil Sadler
https://bit.ly/2Kld96t

Essex Property Network
2nd Tuesday of the Month Holiday Inn
Brentwood CM14 5NF **Host:** Cyril Thomas
www.essexpropertynetwork.co.uk

Harlow Property Network in association with Premier Property Club 2nd Thursday of Every Month The Day Barn Harlow Study
Centre Netteswellbury Farm (off Waterhouse
Moor) Harlow Essex CM18 6BW.
myproperty.coach

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
Hoebridge Golf Club Old Woking Road Woking GU22 8JH **Host:** Anne Woodward **www.wokingpin.co.uk**

Oxford pin 1st Thursday of the month
Jurys Inn Godstow Rd Oxford OX2 8AL **Host:** David Granat
www.oxfordpin.co.uk

Reading pin1st Tuesday of the month
Crowne Plaza Reading Caversham Bridge Richfield Avenue Reading RG1 8BD **Hosts:** Guy Brown and Rupal Patel **www.readingpin.co.uk**

Berkshire pin 3rd Monday of the month
Holiday Inn Maidenhead Manor Lane Maidenhead SL6 2RA **Hosts:** Andy Gaught and Jonathan Barnett
www.berkshirepin.co.uk

Southampton pin
1st Tuesday of the month
Chilworth Manor Hotel Southampton Hampshire SO16 7PT
Hosts: Nigel Bugden and Jon Woodman
www.southamptonpin.co.uk

Brighton pin
3rd Thursday of every month
The Courtlands Hotel 19-27 The Drive Hove East Sussex BN3 3JE
Host: Peter Fannon
www.brightonpin.co.uk

Basingstoke pin
4th Wednesday of the month
The Hampshire Court Hotel Centre Drive Great Binfield Road Chineham Basingstoke RG24 8FY
Hosts: Seb and Aga Krupowicz
www.basingstokepin.co.uk

Kent pin
1st Thursday of the month
Village Hotel Club Maidstone Castle View Forstal Road Sandling ME14 3AQ **Hosts:** Martin and Sarah Rapley **www.kentpin.co.uk**

J6 Property Professionals & Investors Meet 2nd Tuesday of the month
Aston Bond solicitors Windsor Crown House 7 Windsor Road Slough SL1 2DX **Host:** Manni Chopra
www.j6propertymeet.co.uk

The Property Vault
3rd Monday of the month
Eastgate 141 Springhead Parkway Northfleet DA11 8AD
Host: Dan Hulbert
www.thepropertyvaultuk.com

Surrey Property Exchange
2nd Monday of the Month
Holiday Inn Egerton Road Guildford GU2 7XZ **Host:** Richard Simmons
www.surreypropertyexchange.co.uk

Premier Property Club - Kent
2nd Tuesday of each month Castle View Forstal Rd Maidstone ME14 3AQ
www.PremierPropertyClub.co.uk

The Bucks Property Meet
Last Thursday of the Month
The Bull Gerrards Cross **Hosts:** John Cox and Rachael Troughton
www.Buckspropertymeet.com

Southampton Property Hub Meet Up
1st Thursday of every month
The Leonardo Royal Southampton Grand Harbour Hotel, West Quay Rd, Southampton SO15 1AG **Host:** Sarah Smith
https://www.facebook.com/property hubsouthampton/?fref=ts

Premier Property Club - Brighton
1st Thursday of the Month
Jurys Inn Brighton Waterfront King's Road Brighton BN1 2GS
www.premierpropertyclub.co.uk/brighton

Eastbourne Wealth Investing Network 4th Wednesday of every month
The View Hotel Grand Parade Eastbourne BN21 4DN
Host: Jonas Elsen-Carter

Guildford Wealth Investing Network
1st Wednesday of every month
Old Thorns Manor Hotel Golf & Country Estate Liphook GU30 7PE
Hosts: Wendy Alexander & Adrian Brown

Crawley Property Meet
3rd Tuesday of every month
crawleypropertymeet.com Holiday Inn London-Gatwick Airport, Povey Cross Road, Horley, Surrey, RH6 0BA
Hosts: Tania Carson, Pam Mackenzie, Nick Parkhouse and Phil Williams.

Hampshire Property Network
2nd Wednesday of every month
Holiday Inn Fareham (Solent), Cartwright Drive, Titchfield, Fareham, Hampshire, PO15 5RJ
Hosts: Mark Smith and HPN Team
www.hampshirepropertynetwork.com

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

Mid Surrey Wealth Investing Network 2nd Wednesday of every month
Sutton United Football club Gander Green Lane Sutton SM1 2EY
Host: June Cruden

Property Expert Network Event (PEN) Monday 4th November 2019, 7.00pm – 10pm Solent View Room at Pyramids, Clarence Esplanade, Portsmouth, PO5 3ST
Guest Speaker: Emma Moby
Topic of Discussion: Landlord Insurance and compliance **https://bit.ly/2N3BLkM**

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

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

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

ZONE 4

Bournemouth pin 2nd Tuesday of the month
Village Hotel Bournemouth, Wessex Fields, Deansleigh Road, Bournemouth, BH7 7DZ
Hosts: Debbie and Mike Watts
www.bournemouthpin.co.uk

Cheltenham pin 3rd Tuesday of the month
The Best Western Cheltenham Regency Hotel Old Gloucester Road Near Staverton Gloucestershire GL51 0ST
Hosts: David and Beverley Lockett
www.cheltenhampin.co.uk

Devon pin 4th Thursday of the month
Buckerell Lodge Hotel Topsham Road Exeter EX2 4SQ **Hosts:** Kevin and Sally Cope
www.devonpin.co.uk

Bristol pin 2nd Wednesday of the Month
Holiday Inn Bristol Filton Filton Road Bristol Avon BS16 1QX **Host:** Nick Josling
www.bristolpin.co.uk

Salisbury pin 3rd Wednesday of the month
Grasmere House Hotel, 70 Harnham Road, Salisbury, SP2 8JN **Hosts:** James and Malcolm White **www.salisburypin.co.uk**

Swindon pin 4th Wednesday of the month
Village Hotel Swindon Shaw Ridge Leisure Park, Whitehill Way, Swindon SN5 7DW
Host: Leo Santana **www.swindonpin.co.uk**

PPN Bournemouth 19/11/2019
The Ocean Beach Hotel & Spa 32 East Overcliff Drive Bournemouth BH1 3AQ
Host: Leigh Ashbee
progressivepropertynetwork.co.uk/bournemouth

PPN Bristol 14/11/2019
Village In - Bullfinch Close, Filton, Bristol BS34 6FG **Hosts:** Paul Bennett and Paul Duval
progressivepropertynetwork.co.uk/bristol

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

Professional Investment Group (PIG) - Plymouth 3rd Monday of the month
Boringdon Hall Hotel and Spa Boringdon Hill Colebrook Plymouth PL7 4DP **Host:** Angelos Sanders **www.pig.network**

Bristol BMV Property Options Last Thursday of every month The Holiday Inn Bond Street Bristol BS1 3LE **Host:** Del Brown
www.bmvpropertyoptions.co.uk/property-investment-meeting-pim

Professional Investment Group (PIG) - Cornwall 1st Monday of the month
The Alverton Hotel, Tregolls Rd, Truro,TR1 1ZQ
Hosts: Angelos Sanders & Matt Pooley
www.pig.network

Torbay Free Property Meet
2nd Monday of the month from 7pm
Chelston Manor, Old Mill Rd, Torquay TQ2 6HW
Hosts: Ed Akay and Mel Richards
www.facebook.com/torbayproperty

Exeter Free Property Meet
First Thursday of the Month from 7pm
The Ley Arms, Kenn, Devon EX6 7UW
Hosts: Ed Akay and Keith Sparkes
www.facebook.com/exeterpropertymeet

Plymouth Wealth Investing Network (WIN)
2nd Monday of the Month
The Boringdon Park Golf Club, Plympton, Plymouth. PL7 4QG
Host: Carole Beggs
wealthinvestingnetwork.com/plymouth

ZONE 5

Birmingham Central pin
1st Thursday of the month
Novotel Birmingham Centre Hotel 70 Broad Street Birmingham B1 2HT **Host:** Dan Norman
www.birminghamcentralpin.co.uk

Birmingham pin
3rd Thursday of the month
Crowne Plaza NEC Pendigo Way National Exhibition Centre Birmingham B40 1PS
Hosts: Andy Gwynn and Mary Collin
www.birminghampin.co.uk

Black Country pin
4th Wednesday of the month
Village Hotel Dudley Castlegate Drive Dudley West Midlands DY1 4TB **Host:** Phillip Hunnable
www.blackcountrypin.co.uk

Coventry and Warwickshire pin
2nd Tuesday of the month
Citrus Hotel Coventry A45 London Rd Ryton on Dunsmore Warwickshire Coventry CV8 3DY
Host: Sebastien Buhour
www.coventryandwarwickshirepin.co.uk

Worcestershire pin
1st Wednesday of the month
The Pear Tree Inn & Country Hotel Smite Worcester WR3 8SY
Hosts: Andy and Karen Haynes
www.worcestershirepin.co.uk

Stoke-on-Trent pin
2nd Wednesday of the month
Premier Inn Trentham Gardens Stoke Stone Road Stoke-on-Trent ST4 8JG **Host:** Steve Barker-Hall
www.stokepin.co.uk

PPN Wolverhampton 05/11/2019
The Cleveland Suite, Wolverhampton Racecourse, Gorsebrook Road, Wolverhampton WV6 0PE
progressivepropertynetwork.co.uk/wolverhampton

PPN Birmingham 13/11/2019
Members Club House Edgbaston Priory Club Sir Harry's Road Edgbaston Birmingham B15 2UZ
Host: Kirsty Darkins
progressivepropertynetwork.co.uk/birmingham

PPN Leamington Spa 20/11/2019
The Saxon Mill Coventry Road Guys Cliffe Warwick Warwickshire UK CV34 5YN **Host:** Mark Potter
progressivepropertynetwork.co.uk/leamingtonspa

Great Property Meet Warwickshire
3rd Monday of the month
Dunchurch Park Hotel & Conference Centre Rugby Road Dunchurch Warwickshire CV22 6QW
Hosts: Andrew Roberts and Peter Lazell
www.GreatPropertyMeet.co.uk

Saj Hussain's Property Meet
3rd Tuesday of every month (except August & December) - 6pm
Novotel Hotel, 70 Broad Street, City Centre, Birmingham B1 2HT
https://www.sajhussain.com/networking

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups
Birmingham The Lost and Found Birmingham 8 Bennetts Hill Birmingham B2 5RS

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
3rd Wednesday of the month
Holiday Inn Milton Keynes 500 Saxon Gate West Milton Keynes MK9 2HQ
Host: Reemal Rabheru
www.miltonkeynespin.co.uk

Leicester pin 1st Thursday of the month
The Fieldhead Hotel Markfield Lane Markfield LE67 9PS **Host:** Jo and Gary Henly **www.leicesterpin.com**

Nottingham pin
3rd Tuesday of the month
Park Inn by Radisson Nottingham 296 Mansfield Road Nottingham NG5 2BT **Host:** Spike Reddington
www.nottinghampin.co.uk

Watford pin 1st Thursday of the month
Aldenham Golf & Country Club, Church Lane, Aldenham, Radlett, Watford, WD25 8NN **Hosts:** Waseem Herwitker and Shack Baker **www.watfordpin.co.uk**

Northampton pin
1st Thursday of the month
Holiday Inn Express Northampton, Junction 15, M1, Loake Close, Grange Park, Northampton NN4 5EZ
Host: Amelia Carter
www.northamptonpin.co.uk

Lincoln pin 4th Thursday of every month
Holiday Inn Express Lincoln City Centre Ruston Way Brayford Park Lincoln LN6 7DB **Hosts:** Ankie Bell and Hannelie Ehlers **www.lincolnpin.co.uk**

PPN Derby 12/11/2019
Nelsons Solicitors Sterne House Lodge Lane Derby DE1 3WD
Hosts: Mike Alder & Jamie Hayter
progressivepropertynetwork.co.uk/derby

PPN Leicester 11/11/2019
Marriott Hotel Smith Way Grove Park LE19 1SW **Host:** Kal Kandola
progressivepropertynetwork.co.uk/leicester

PPN Northampton 19/11/2019
Hilton Hotel 100 Watering Lane Collingtree Northampton NN4 0XW
Host: Kim Hendle
progressivepropertynetwork.co.uk/northampton

Stevenage Wealth Investing Network
3rd Wednesday of every month
Stevenage Novotel Hotel Steveage Road Knebworth Park SG1 2AX
Hosts: Stephen & Bridget Cox

UK Property Network Leicester
2nd Tuesday of the Month
The Field Head Hotel Markfield La Markfield Leicestershire LE67 9PS
Host: Tracey Hutchinson
www.meetup.com/UKPN-Leicester

Landlords National Property Group
1st Monday of the Month
The Derbyshire Hotel Carter Lane East Derby DE55 2EH **Hosts:** Paul Hilliard and Nick Watchorn **www.lnpg.co.uk**

Midland Property Forum
3rd Thursday of the month
The Oldmoor Lodge Mornington Crescent Nottingham. NG16 1QE
Hosts: Kal Kandola Hannah Hally Kelly Hally James Howard-Dobson Steve Harrison
https://www.facebook.com/MidlandsPropertyForum

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups
St Albans The Beech House 81 St Peter's Street St Albans AL1 3EG
Nottingham St James Hotel No 6 Bar & Restaurant 1 Rutland Street Nottingham NG1 6FL

ZONE 7

Liverpool pin 4th Thursday of the month
The Shankly Hotel Millennium House 60 Victoria St Liverpool L1 6JD
Hosts: Julie and Oliver Perry
www.liverpoolpin.co.uk

Manchester pin
3rd Wednesday of the month
Best Western Cresta Hotel Church St Altrincham WA14 4DP
Host: Julie Whitmore
www.manchesterpin.co.uk

Chester pin 2nd Thursday of the month
Mercure Chester (formerly known as Ramada) Whitchurch Road Christleton Chester CH3 5QL **Host:** Hannah Fargher
www.chesterpin.co.uk

PPN South Manchester 28/11/2019
Best Western Plus Pinewood on Wilmslow Wilmslow Road Cheshire SK9 3LF **Host:** Mike Chadwick
progressivepropertynetwork.co.uk/wilmslow

PPN Blackpool 25/11/2019
Ribby Hall Village Ribby Road Wrea Green Nr Blackpool PR4 2PR
Host: Niki Torbett
progressivepropertynetwork.co.uk/blackpool

PPN Liverpool 27/11/2019
Marriott Hotel One Queen Square Liverpool L1 1RH **Hosts:** Andrew Budden & Alison McIntyre
progressivepropertynetwork.co.uk/liverpool

TPM Meeting Warrington
4th Monday of every month
The Park Royal Hotel Stretton Road Stretton Warrington WA4 4NS
Host: Susan Alexander
http://thepropertymentor.eventbrite.com

TPM Meeting Wigan & Worsley
4th Wednesday of the month
Holiday Inn Express Leigh Sports Village Sale Way Leigh WN7 4JY
Host: Debra Long
http://thepropertymentor.eventbrite.com

ASANA North West Property Meet
1st Monday of each month
The Willows Douglas Valley A6 Blackrod Bypass Blackrod Bolton BL6 5HX
Hosts: Howard Cain and Kathy Bradley
www.asanapropertyinvestments.co.uk

Manchester Property Investor Breakfast 1st Friday of the month (7.30am – 9.30am) Village Hotel Ashton under Lyne OL7 0LY
Host: Fraser Macdonald
www.meetup.com/Manchester-Property-Investor-Breakfast

Property Leverage Network Manchester
1st Tuesday of every month Chill Factore 7 Trafford Way Urmston M41 7JA
Hosts: Andrew Wilcock & Gary Collins
http://propertyleverage.co.uk/manchester

Warrington Property Investors' Meet Up Last Tuesday of the month from 7pm-9pm Olympic Park Unit 7 Olympic Way 1st Floor Birchwood Warrington Cheshire WA2 0YL (free parking)
Hosts: Patricia Li and Michael Hopewell
www.meetup.com/Warrington-Property-Investors-Meetup/

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups
Liverpool Punch Tarmey's Liverpool 31 Grafton St Liverpool L8 5SD
Manchester The Bridge Street Tavern 58 Bridge Street M3 3BW

Connect property network
1st Wednesday of the month
Wychwood Park Hotel, Wychwood Park, Crewe, CW2 **Hosts:** Daniel Hennessy and Scott Williams
www.connectpropertynetwork.co.uk

YPN Strongly recommend that you attend your local property networking events. However the events listed are not staged by Your Property Network Ltd. Please check venue and dates on the relevant website before travelling to the event.

ZONE 8

Hull pin 2nd Thursday of the month
Mercure Hull Royal Hotel 170 Ferensway Hull East Yorkshire HU1 3UF **Host:** Neil Brown
www.hullpin.co.uk

Leeds pin 4th Wednesday of the month
Crowne Plaza Hotel Wellington Street Leeds LS1 4DL
Hosts: Jay and Nana Sharma
www.leedspin.co.uk

Harrogate pin
1st Wednesday of the month
Cedar Court Hotel Park Parade off Knaresborough Road Harrogate HG1 5AH **Host:** Paul Bellas
www.harrogatepin.co.uk

York pin 3rd Wednesday of the month
York Pavilion Hotel, 45 Main Street, Fulford, York, YO10 4PJ **Hosts:** Mike Q Hainsworth and Olga Hainsworth
www.yorkpin.co.uk

Sheffield pin
2nd Wednesday of the month
Mercure Sheffield Parkway Hotel (previously known as Aston Hotel) Britannia Way Sheffield South Yorkshire S9 1XU
Hosts: Paul Hastings and Stuart Cooper
www.sheffieldpin.co.uk

PPN Sheffield 26/11/2019
Mercure Hotel Britannia way Catcliffe Rotheram Yorkshire S60 5BD
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds 12/11/2019
Hilton Hotel, Neville Street, Leeds LS1 4BX
Host: Mo Jogee
progressivepropertynetwork.co.uk/leeds

Property Leverage - Leeds
3rd Monday of the month
The Stables Weetwood Hall Leeds LS16 5PS (Location subject to change)
Host: Rob Hodgkiss (07398858256)

Property Leverage - Wakefield
1st Wednesday of the month
Kirklands Hotel Leeds Road Wakefield WF1 2LU **Host:** Dominic Woodward (07794223136)

Property Leverage Network – York
2nd Tuesday of every month
Beechwood Close Hotel 19 Shipton Road YO30 5RE York
www.propertyleverage.co.uk

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups
Leeds Dakota Deluxe Hotel 8 Russell Street Leeds LS1 5RN

ZONE 10

Cardiff pin 2nd Tuesday of the Month
Mercure Cardiff Holland House Hotel & Spa 24-26 Newport Rd Caerdydd Cardiff CF24 ODD **Host:** Morgan Stewart **www.cardiffpin.co.uk**

Swansea pin 4th Thursday of the Month
Village Hotel Langdon Road (Off Fabian Way) SA1 Waterfront Swansea SA1 8QY **Host:** Bernadette and Ian Lloyd **www.swanseapin.co.uk**

PPN Cardiff 14/11/2019
Celtic Manor Resort Newport NP18 1HQ
Hosts: Sean Forsey & Phill Leslie
progressivepropertynetwork.co.uk/cardiff

ZONE 11

Belfast pin 1st Tuesday of the Month
Balmoral Hotel Blacks Road Dunmurry Belfast BT10 0NF **Host:** Ian Jackson
www.belfastpin.co.uk

PPN Belfast 14/11/2019
National Football Stadium at Windsor ParkIrish FA, Donegall Ave, Belfast BT12 6LW **Hosts:** Pete Lonton & Danielle Bell
progressivepropertynetwork.co.uk/belfast

Belfast Property Meet
1st Thursday of the Month
The Mac Theatre St. Anne's Square Belfast **Host:** Chris Selwood
www.belfastpropertymeet.com

ZONE 9

Edinburgh pin
3rd Thursday of the month
The Leonardo Edinburgh Murrayfield Hotel 187 Clermiston Road Edinburgh EH12 6UG **Host:** Taimur Malik **www.edinburghpin.co.uk**

Glasgow pin
2nd Tuesday of the month
Jurys Inn Glasgow, 80 Jamaica Street, Glasgow, G1 4QG **Host:** John Kerr
www.glasgowpin.co.uk

PPN Glasgow 25/11/2019
The Corinthian Club 191 Ingram St Glasgow G1 1DA **Hosts:** Philip Howard & Aaron Percival
progressivepropertynetwork.co.uk/glasgow

Property Leverage Network - Glasgow
4th Tuesday of every month
Glasgow Pond Hotel Great Western Rd G12 0XP Glasgow United Kingdom
www.propertyleverage.co.uk

PROPERTY AUCTIONS NOVEMBER 2019

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EAST ANGLIA

TW Gaze **21/11/2019** Diss Auction Rooms, Roydon Road, Diss, IP22 4LN

EAST MIDLANDS

Howkins & Harrison - Rugby **12/11/2019** Kilworth Springs Golf Club, South Kilworth Road, Lutterworth, LE17 6HJ

Bagshaws Bakewell **18/11/2019 15:00** The Agricultural Business Centre, Agricultural Way, Bakewell, DE45 1AH

Auction House Northamptonshire **20/11/2019 11:00** Hilton Northampton, 100 Watering Lane, Collingtree, Northampton, NN4 0XW

The County Property Auction **20/11/2019 19:00** Doubletree by Hilton, Brayford Wharf North, Lincoln, LN1 1YW

SDL Auctions Graham Penny (Nottingham) **21/11/2019 11:30** Nottingham Racecourse, Colwick Road, Nottingham, NG2 4BE

Auction House Leicestershire **21/11/2019 18:00** Readings Property Group, 48 Granby Street, Leicester, LE1 1DH

Knight Frank **22/11/2019 18:30** H's Wine Bar, Wye House, Water Street, Bakewell, DE45 1EW

LONDON

Phillip Arnold Auctions **01/11/2019 12:00** Doubletrees By Hilton, 2-8 Hanger Lane, Ealing, London, W5 3HN

Savills (London - National) **11/4/2019** The London Marriott Hotel, Grosvenor Square, London, W1K 6JP

Harman Healy **07/11/2019 12:00** Kensington Town Hall, 195 Hornton Street, London, W8 7NX

Barnard Marcus **11/11/2019** Grand Connaught Rooms, Great Queen Street, London, WC2B 5DA

IRELAND

REA Leinster Auction **11/6/2019 15:00** Killashee Hotel, Kilcullen Road, Naas

Hayman-Joyce **11/6/2019 18:00** At The Property

DNG Creedon **11/27/2019** The Imperial Hotel, 76 South Mall, Cork, T12 A2YT

NORTH EAST

Auction House North East **05/11/2019 19:00** Ramside Hall Hotel, Carrville, Durham, DH1 1TD

Great North Property Auction - IAM Sold **28/11/2019** Ramside Hall Hotel, Carrville, Durham, DH1 1TD

Pattinson Property Auctions **28/11/2019** Newcastle Falcons Rugby Football Club, Brunton Road, Newcastle upon Tyne, NE13 8AF

NORTHERN IRELAND

BRG Gibson **26/11/2019 19:30** Bangor Auction Centre, 7-9 Greenway, Green Road, Bangor, BT23 7SU

NORTH WEST

Auction House North West **14/11/2019 14:00** Bolton Wanderers Football Club, Macron Stadium, Burnden Way, Bolton, BL6 6JW

North West Property Auction - IAM Sold **26/11/2019** Village Urban Resort, Rochdale Road, Bury, BL9 7BQ

Richard Turner & Son **27/11/2019 19:00** Black Bull Inn, Old Langho Road, Old Langho, Blackburn, BB6 8AW

SCOTLAND

Auction House Scotland **21/11/2019 14:00** Radisson Red Glasgow, Finnieston Quay, 25 Tunnel Street, Glasgow, G3 8HL

SOUTH-EAST HOME COUNTIES

Clive Emson Hampshire & Isle of Wight **01/11/2019 11:00** Solent Hotel, Rookery Avenue, Fareham, PO15 7AJ

SOUTH WEST

Kivells Liskeard **06/11/2019 19:00** Lord Eliot Hotel, Castle Street, Liskeard, PL14 3AU

David Plaister Ltd **12/11/2019 19:00** The Royal Hotel, 1 South Parade, Weston-Super-Mare, BS23 1JP

Maggs & Allen **26/11/2019 19:00** The Bristol Pavilion, Nevil Road, Bristol, BS7 9EJ

Hollis Morgan **27/11/2019 19:00** All Saints Church, Pembroke Road, Clifton, Bristol, BS8 2HY

WEST MIDLANDS

John Earle & Son **19/11/2019** Henley Golf & Country Club, Birmingham Road, Henley-in-Arden, B95 5QA

Bagshaws Uttoxeter **20/11/2019** Uttoxeter Racecourse, Wood Lane, Uttoxeter, ST14 8BD

Loveitts **21/11/2019 18:30** Village Urban Resort, Dolomite Avenue, Coventry Business Park, Coventry, CV4 9GZ

West Midlands Property Auction - IAM Sold **21/11/2019** Molineux Stadium, Waterloo Road, Wolverhampton, WV1 4QR

Town & Country Property Auctions West Midlands **28/11/2019 19:00** The Mecure Telford Centre Hotel, Forgegate, Telford, TF3 4NA

WALES

Dawsons **20/11/2019** Swansea Marriott Hotel, Maritime Quarter, Swansea, SA1 3SS

Town & Country Property Auctions London **26/11/2019 12:30** Dewstow Golf Club, Dewstow Farm, Caldicot, NP26 5AH

Clee Tompkinson Francis **26/11/2019** Hotel Mercure, Phoenix Way, Enterprise Park, Swansea, SA7 9EG

YORKSHIRE AND THE HUMBER

Auction House Hull & East Yorkshire **13/11/2019 18:30** Beverley Racecourse, York Road, Beverley, HU17 8QZ

Bramleys **14/11/2019 19:00** John Smiths Stadium, Stadium Way, Huddersfield, HD1 6PG

Northern Lincolnshire Property Auction - IAM Sold **14/11/2019** Forest Pines Hotel, Ermine Street, Broughton, Brigg, DN20 0AQ

Boultons Harrisons Ltd **28/11/2019 19:00** John Smiths Stadium, Stadium Way, Huddersfield, HD1 6PG

Town & Country Property Auctions North East **29/11/2019 19:00** Riverside Stadium, The Leeway Riverside, Middlesbrough, TS3 6RS