Issue 160 October 2021

SUBSCRIPTION ONLY

YOUR PROPERTY NETWORK

www.yourpropertynetwork.co.uk

BRINGING NEW LIFE TO OLD OFFICE BUILDINGS

How redeveloping for alternative uses can create huge profits

Profit from planning uplifts

Seasoned architect's top tips to add value

PLUS

Retired at 35!

A property entrepreneur shares his secrets

FUSION FURNITURE
INTERIOR SOLUTIONS SINCE 2005

Visit our new website

fusionfurniture.co.uk

The most recommended Furniture Supplier for **HMO Landlords and Serviced Accommodation Operators.**

WHY FUSION?

- Renowned for having the fastest lead times
- 50+ successful installations per week
- Some of the most robust products on the market
- Increased product choices with many new lines now available
- Always 100% UK made/sourced
- Competitive rates for lease finance (via 3rd party)
- Customer service excellence as standard
- Proud to be an LNPG partner supplier

www.fusionfurnituresolutions.co.uk

MAKE FUSION FURNITURE SOLUTIONS YOUR FIRST CHOICE

Looking for something different and want to create your own design?

This is now possible with our **bespoke design service**. Select from a variety of bedroom furniture colour combinations, alternative handles and accessories.

With over 100 different possible creations, the '**BeCreative**' concept gives you the unique opportunity of having full control and design of your individual interior style.

sales@fusionfurnituresolutions.co.uk

Call us on **01565 723727**

A few months ago I visited my parents who still live in my hometown, a rural market town in south Wales. While I was walking around, it was beyond difficult to ignore the shut up shops, boarded up offices, and the general sorry-looking dilapidation of the town centre. As much as I love to roast my rather pitiful hometown, I'm almost positive that it doesn't look that much different to the current state of your own local high street.

BUT this is where this issue comes in! Four investors have spoken to us about how they are utilising commercial buildings by redeveloping them into residential homes. It's truly inspiring to read their stories and seeing their case studies with some amazing profits to boot. While the pandemic and Brexit have rendered the future of the high street uncertain, it might just end up looking a little different to what we all expected.

Plus, we have all the usual suspects writing their regular columns this month. Some of my top reads for this months are **Rupal Patel's** counterintuitive truths, **Mary Latham's** candor about landlording issues and, last but not least, **Harry Williams's** story of achieving so much at such a young age. What can I say, us Welsh must stick together!

Happy reading and happy investing,

Angharad

and the YPN team

In this issue ...

FEATURES

INVESTING & LANDLORDS

INSPIRATION & LIFESTYLE

SPECIALIST COMMENT

Introducing THE YPN TEAM

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

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

Jayne Owen
Content Creation
jayne@yourpropertynetwork.co.uk

Angharad Owen
Co-Editor
angharad@yourpropertynetwork.co.uk

Raj Beri
Co-Editor
raj@yourpropertynetwork.co.uk

George Haines
IT Manager
george@yourpropertynetwork.co.uk

Simon Clements
Creative Manager
artwork@yourpropertynetwork.co.uk

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

Julie Whitmore
Writer

Phil Saunders
Writer

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

Michelle Cairns
Podcast & Training Host
michellecairns@yourpropertynetwork.co.uk

For all general enquiries please email the team at:
help@yourpropertynetwork.co.uk

@ypnmagazine

ShopShieldOne

Fixed Price Security for Empty Shops

One Call. One Visit.
One Secure Shop.
One Fixed Price.

£399

clearway
BUILDING SECURITY & SUPPORT

01322 479652 | clearway.co.uk/shopshield | enquiries@clearway.co.uk

Retail Security Dilemmas

Solved with ShopShield, from Clearway

No one can doubt that many of our shops, pubs and restaurants have been or still are teetering on the brink of financial trouble. As some failing shops are being auctioned off as landlords cut their losses, at the same time, some entrepreneurial property investors are keen to snap them up, optimistic the good times will return.

As this fascinating story continues to unfold, countless commercial, retail and hospitality units are standing closed and forlorn until they're either re-purposed or filled with a new generation of enthusiastic tenants. It is a sad consequence that in a lot of cases, while offices are still partly empty due to staff working from home, the small and formerly thriving businesses that need their daily trade: sandwich bars, dry cleaners, hairdressers, newsagents, florists, copy shops, etc. simply cannot survive without them.

Retail and commercial security specialists, Clearway, has stepped into the breach with ShopShield; exactly what is needed to stop thieves, vandals or squatters from invading vacant retail shops and units.

ShopShield is a fixed-price, retail security solution that is simple, affordable and ticks all the necessary boxes to keep the premises safe and secure until new tenants move in. The ShopShield One package includes lock changes, a temporary letterbox seal, an external key safe and flammable waste removal, along with a comprehensive risk assessment to highlight other potential problems that can be easily sorted out. A set of bolt-on services is also available, including a self-contained, wireless monitored alarm system, utilities drain down and regular property inspections. Clearway's prompt and personal service provides whatever is necessary or appropriate for each individual retail unit, big or small.

Deterrent is the word, affordability the key, and peace of mind the result. Why wait? One call and we can secure your empty retail property straight away.

www.clearway.co.uk/shopshield 01322 479652 enquiries@clearway.co.uk

The key attributes to becoming a successful property developer

By **Ritchie Clapson** and **Raj Beri**

Post-Covid and in the face of changing planning regulations, there will be inevitable changes in the way people work. Central to these will be the future of the office work environment and in this article, experienced and renowned property developer Ritchie Clapson discusses the future of offices and the key attributes any developer needs to take advantage of the changing tide.

YPN: Post-Covid and with the relaxing of planning regulations, what will become of empty offices?

Ritchie: There is likely to be massive disruption in the commercial market and with disruption comes opportunity, particularly for developers. The question of what empty offices will be used for is an interesting one. Some 15-20 years ago there was a drive for more homeworking but larger organisations like Google emphasised that we need to physically communicate as teams, because we are social animals.

Undoubtedly, Covid has forced commercial businesses to work differently and I believe that we'll settle on some sort of hybrid model – working alone at home is not good for anyone's mental health. Many companies have already decided to close large head offices and are saving huge operating costs which adds to the bottom line.

Somewhat surprisingly perhaps, several studies have shown that productivity, in some ways, is actually better for people working from home.

The future of office stock is tied to what's already been happening in our towns and cities. The high street has been changing for some time and Covid has just speeded things up. I believe that the two sectors need to be considered together as they co-habit. For example, offices generate a demand for other businesses around them such as sandwich bars, or stationery shops etc. The high street will become home to more experience-based artisan businesses and will also have more residential space. While a lot of the office stock will become residential, there will be a limit to the demographic-driven demand.

We will still need offices even though many companies will downsize to smaller units. I believe an opportunity exists to create office pods, by which I mean small 15-20 sqm of office space/studios. The reality is that people will probably have one or two meetings/month at the head office, but the rest of the time they'll be working locally and will therefore still need workspace. Working at home may not be an option due to space constraints and due to people wanting a good work/life balance.

YPN: How can budding developers can take advantage of this changing environment?

Ritchie: There are careers where the qualifications one requires are pretty obvious, eg dentistry. It's simply not possible to buy a swanky chair and a set of drills off eBay, and advertise your dentistry services to all and sundry. Dentists undergo significant training before they're qualified and back in the middle ages, when I became a chartered structural engineer, it required nine years of training to become fully qualified.

So, exactly what skills do you need to become a successful property developer, even if you're only doing it in your spare time and tackling relatively small projects? I think education in anything you do is important, and I strongly suggest that anyone who wants to get into development doesn't just "give it a go".

Some people believe that anything, including property development, can be learnt via Google. There is plenty of online content on open heart surgery and dentistry but it's not something anyone would realistically attempt to learn and implement. Property development can be life changing, but if you get it wrong the losses are much more significant when compared with refurbishing a BTL or an HMO. On the flip side, if you get it right, you could be making a quarter of a million pound profit a year. Both the profit and the loss scenarios would undoubtedly be life changing!

Property development has a lot of moving parts, so why not learn from someone who's been there, seen it, done it, and actually short-circuits your success? Education plays a role but it needs to be all encompassing. People get too fixated on strategies when they really need to focus on how to become a property developer.

Budding property developers need to understand that it's a business and one needs to develop the right mindset to run this type of business. As a developer, you will come up against hurdles which will need addressing, so not getting educated seems a bit short sighted.

YPN: What are your thoughts on the role of the developer and the roles of key team players?

Ritchie: The developer is certainly not sitting around doing nothing. Their time is probably the most highly leveraged but as the developer, you are taking the biggest risk. You're heading or running a business so you must ensure that your business is controlled and that it delivers what it set out to deliver, which is the project within time, within budget and ultimately, with profit on exit.

You're going to have to find the project and undertake due diligence to ensure that it will actually be profitable. You'll be arranging the finance, working with both commercial lenders and private investors – ultimately, the finance is your responsibility and it's your neck on the line.

You are essentially acting as a property CEO and a CEO should always know the cashflow through the business. Of course, you will employ the services of a project manager, a bookkeeper and an accountant but you've got to make sure that everything that should happen, actually happens. If you are developing to sell, you have to understand your demographics, the correct price points and timing of the exit, which will require liaising with various professionals and making decisions.

People who get into property want wealth to create more time/flexibility than perhaps they are getting in their day job. Most people who set off in the world of property development want instant credibility as a developer, but how can this happen if you've no development experience? The solution is to become the CEO of your business and get credibility as a property CEO who has some existing transferable skill sets. Not an easy concept to grasp so an analogy will help.

Let's assume that the minister for health now becomes the minister for defence as part of the reshuffle. Now they are in charge of the armed forces, not an area they know or have any experience in. However, they will utilise their "CEO" skillset and deploy the professional team that reports to them to make things happen, much like a CEO. Richard Branson started his cruise line industry as a CEO without ever having been in a cruise industry before. He is acting as a CEO using his entrepreneurial and managerial skillset. He is not trying to be a project manager, planning consultant, architect, or structural engineer. You don't need to become any of those things. You need to become the head of an organisation, the chief executive officer that runs and controls the business.

YPN: What are the key roles of the project manager and how does that fit in with the rest of the professional team?

Ritchie: People often talk about having a 'power team' but I think having a good infrastructure is not a bad way of looking at it. I think a professional team is a good way to describe the individuals who will be reporting to you as far as the project is concerned. Cabinet ministers don't have everyone running to them to make decisions – they have a small number of key people who deal with everyone else. A property developer will similarly have one or two key individuals who deal with all the specialists. The reality is that most of the specialists talk a different language as they are quite technical.

The key appointment for any developer is the project manager as he/she can talk both your language and the specialist's language. They can bring all the techie/geeky stuff to the client's level – perfect! The last thing you as the CEO should be doing if any of the specialists engage with you is to blag your way through or give them a load of old BS. More likely, you will have a blank expression at which point you ask your project manager to intervene and interpret, so that you can make a sensible decision.

One of your key roles as a CEO is to ask questions and we encourage our students to use the "Five Whys", namely asking "why?" until you get to the root of the question. Fortunately, your project manager will understand most of the specialist terminology and they can be involved at most of the key stages of the project.

The role of the contractor once they have won the tender is to deliver the project. But they will also want to maximise their own profits, which could see them charging you for extras or compromising on quality. One role of the project manager is to ensure that neither happens and also to ensure that proper independent contracts are signed off.

What's the best way to get the rest of your professional team in place? Networking is key. You are the buyer of services, so let them do the talking and selling to you. Clearly, there are ways to build credibility even as a new developer, eg having your branding in place. As soon as you say, "I'm looking for an architect", an architect will sell themselves to you with, "what sort of things are you looking for?" or "we're doing some office conversions, would you like to see what we've done?"

The other professional we advocate to minimise risk is to appoint a non-executive advisor. This will be someone who has many years' experience in the industry and who will act as your advisor. The reality is that the professionals you connect with are likely to come up with names of other trusted specialists they have worked with before. Result.

Property development has to be one of the world's most highly leveraged jobs, but this only applies if you approach it correctly. The trick is to play the role of a CEO rather than try to become the project manager yourself. Your project manager will be better than you at managing the project, ensuring that all professionals, contractors, and tradespeople do what they're supposed to do.

As a developer, you'll probably have a couple of dozen different professionals working on your project. This is where the leverage comes in. These people may have decades of experience in their respective careers, yet all you need to do is pay them a relatively modest fee to work on your project. You're simply creating a team of professionals to work under your project manager, with you sitting at the top of the tree as the CEO. Better still, you don't have to shell out for their services personally; their fees will be paid for by the development finance.

The key attributes of becoming a successful property developer

Here are what I believe to be the essential skills to becoming a successful property developer:

1. Organisational skills

This is about operating at a high level and ensuring nothing is missed by developing good systems and processes. A lot of people who have had senior management roles will already have these skills, whilst others will need to develop them.

2. People skills

As the property CEO, the people on your team are looking for leadership. Part of that leadership is having suitable people skills. I believe that one needs to listen to and understand people, to show empathy and be approachable – this is what builds trust/strong relationships.

You need to have built up enough trust so that your team opens up to you and advises you where things have gone wrong. I remember sending a key member on my team on leave on full pay for three months as his wife was not well and that's where he needed to be, not at work where he wasn't focused so not performing.

3. Management skills

These go hand-in-hand with organisational skills and people skills. I was never trained to be a manager but taught myself these skills, eg in terms of work flow, getting things done, organising projects and people, running meetings etc. There are plenty of textbooks and knowledge out there for anyone looking to develop such skills. Of course, you don't have to do this alone as you will have a project manager and a non-executive advisor pushing and coaxing you along.

4. Decision-making skills

The final decisions on all aspects of the project rest with you, the developer, but having a project manager who can interpret the technical language for you and having a non-executive advisor as a sounding board will make the whole process much easier. New developers are often scared they don't have enough knowledge, but this is where the benefits of having a professional team plays a vital role. The project manager in particular can be the interface between the contractor and the developer.

By making a decision, you are showing confidence and leadership – any decision is better than no decision. Decision-making delays have scuppered many a project, frustrating the contractor who can't get on with things and in development, time is usually money.

5/6. Hard work and determination

The average wage in the UK is around £30,000 per annum. Even a small-scale development might net £100,000 - £250,000, so why would anyone think that you could go and do that easily? Hard work is required particularly to start with, and it's probably going to take you 18 to 24 months to do your first project. This means you're going to have to work hard over a protracted period. It's not just learning about the project as for many people it's also about learning how to run a business, run a team of people and learn a new language in a different industry!

If you are truly going to put the effort in, you are going to have to make the time to get educated, assess deals, and network with people – eventually, things will ease off as leverage starts to play a much bigger role. Actually, you should be pleased that it's hard work because if it was easy, everyone would do it. Determination (and persistence) sits alongside hard work because in terms of timescales, nothing is going to happen overnight.

You've got to keep going, even when you feel like giving up – I think that determination is a mindset issue and is often driven by your "why" or purpose for doing something. A number of our students are in property development not just to create a better financial future for themselves, but also because they want to provide support to family members or to a specific charity that they are close to.

It's easy to get disheartened. Great deals can be difficult to find, and projects rarely go entirely as planned. But the rewards can be life-changing and the spoils go to the developer who keeps going. Your first project will inevitably be your most challenging, but the journey gets easier as you build your experience and reputation.

propertyCEO

Get in touch

Email: **support@propertyceo.co.uk**
Website: **www.propertyceo.co.uk**

Listen to the full conversation with Richie here.

https://bit.ly/3noi8G3

A conversion with a conscience

Turning an old office block into supported living

Interview and words by **Angharad Owen**

Supported Living Gateway is a platform that helps facilitate property investors, developers and care providers to match and provide the properties that are much needed within the sector. On top of that, they wish to continue developing property specifically for supported living.

In this article, **Russ Crabtree** and **Lisa Brown**, two of the founders of Supported Living Gateway, explain why the conversion of commercial buildings is perfect for supported living, and they'll talk through one of their own case studies, which is currently in progress.

With a background in construction, Russ has been involved with many developments ranging from small refurbishments to multi-million-pound projects. Ten years ago, he started retaining properties, and a few years after that, he was put in touch with a contact in the supported living sector. Since then, nearly everything he's developed has been put towards supported living. His principal role within Supported Living Gateway is managing the property developments.

Lisa's background is in nursing. After moving to Devon, she decided to start investing in property. A chance encounter led her to develop a bungalow for someone with learning difficulties. She realised that there was a gap in the market and that there was a huge demand for these types of properties. She set up a Facebook group to find other people who were interested in this form of investing and it was there that the founders of Supported Living Gateway met. Her main role is care provider liaison, where she works with providers to find out what they specifically need in properties.

Over to Lisa and Russ ...

In its loosest form, supported living can be described as a living arrangement for a tenant or group of tenants with support needs. Generally in supported living, your property will be leased by an organisation, such as a charity, care company, community interest company or a housing association, and then will have a tenancy or licence arrangement with the tenants living there.

As a landlord, this can be a powerful way to hold property. A long-term lease can be anywhere from two to 25 years, but typically three- to seven-year agreements are the most common. In that time you will not be responsible for voids — any landlord knows how quickly a month or two of voids, or even just the changeover time between tenants, can eat into your profits — so this is important in itself. Depending on the lease terms, the company may cover wear and tear, maintenance and compliance such as gas boiler servicing and fire alarm servicing, which means you are generally spending less on your property.

The majority of supported living providers will pay around market rent, so you can see how you can end up with more net income each month. Plus, you also have the knowledge that you're helping to create homes for people who need them most.

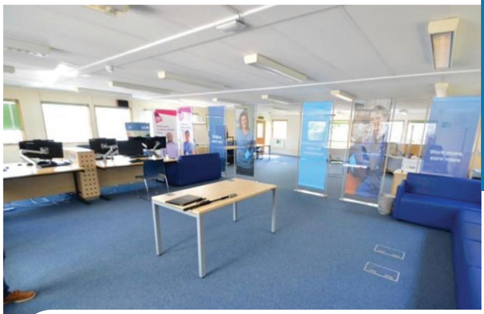
The range of support needs varies enormously from learning disabilities, autism, mental health, physical disabilities, children in care, young adults leaving care, domestic abuse survivors and veterans.

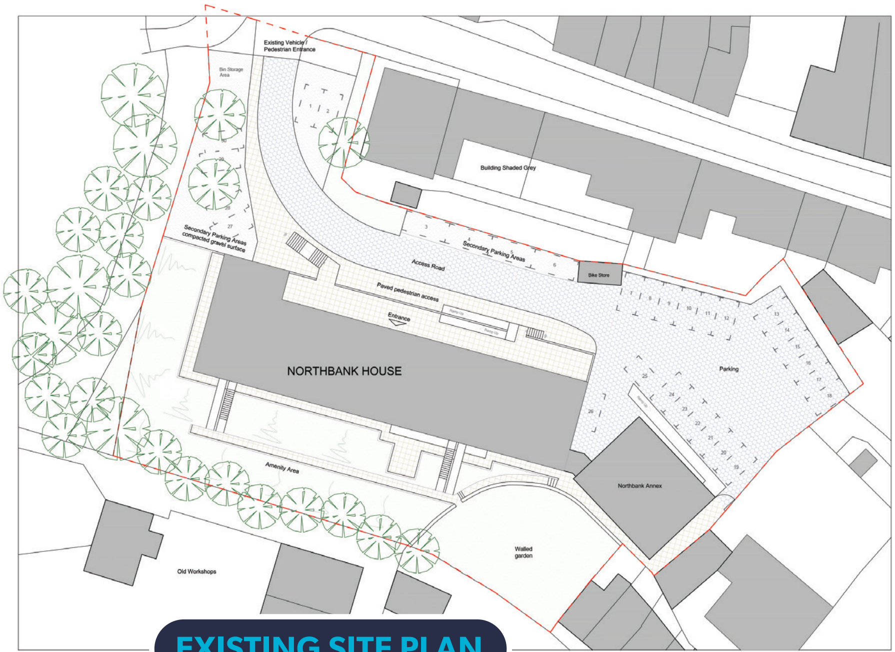
As there is such variety of tenants, a whole range of property types is required for supported living and we have providers looking for small houses, bungalows, HMOs, and flats. However, a model that providers are increasingly asking for is blocks of one-bed flats, with six to 16 in one building. Usually, one of the flats will be used as a support staff base, but each tenant would have their own home and front door and access to support on site if and when they need it. Local authorities like this model for many reasons and tenants find the mixture of privacy with some communal space a good combination.

In this regard, commercial conversions work really well for supported living.

- **Often providers are looking for generous sized flats of 40-50m². There aren't many existing blocks containing only one-bed flats, and if there are, they are often small studios or tiny flats. Taking a commercial building and reconfiguring it means you have the opportunity to use the often open-plan layout to design accessible and spacious flats.**
- **Many commercial buildings have lifts (or space for lifts) so this means all floors can be accessible for those who use wheelchairs or have limited mobility.**
- **For many tenants sound is an issue. They may be disrupted by the noise of others, or they may make noise that neighbours may find difficult, so commercial conversions enable you to add enhanced sound proofing if required.**
- **Fire safety, as with all buildings, should be of great concern but in supported living with more vulnerable tenants we are often asked for higher specification fire systems and fire separation between flats. These can be added in during the refurb at far less cost than trying to retrofit them in an already completed building.**
- **Door entry systems are often asked for, and again, these are far cheaper to install during development than retrofitting to an existing block.**
- **Providers are beginning to ask for more and more specialist assistive technology to be fitted to property. When used correctly, it can maximise independence and reduce staffing costs.**

This may all sound expensive, but grants are available. Plus, some providers will contribute to the costs, or an uplift in rent can be negotiated to accommodate for extra spend on the fit out of the building.





EXISTING SITE PLAN

Which comes first — the building or the provider?

It's a bit of a chicken and egg situation! Some providers don't know what sort of property they want until they see a physical building. Our portal allows investors to upload their properties so providers can see exactly what's available. With Northbank House (the case study) we have asked the provider what they need and we're developing it to order. However, our caveat is that it must have multiple exits, because the deal can fall through at any time.

Each of the sectors within supported living have their own requirements; the processes used to match providers and deals can be different, and there's a big distinction between regulated and unregulated providers and their needs. This aside, we've found the biggest problem with developing supported living is the lack of commitment. There can be so many different parties involved (the local authority, the provider, us, etc), and it all needs to align at the same time.

At any time, something can happen and the whole deal would no longer be viable. Because of the precariousness of this situation, sourcing property to order can be difficult and it's so important to have alternative exits.

Case study: Northbank House

We are currently developing a property in north Devon — a really ugly 1960s concrete block. It has a Job Centre on the ground floor, and we are converting the top two floors into 16 one-bed flats, each 50m² in size. One flat on each floor will be for staff, so the remaining 14 will be homes for people with learning disabilities and autism.

The property

Northbank House was originally an HMRC building. When they moved out, the Job Centre took over the ground floor and created a single storey extension to the side, which they use as a public access space. The upper two floors are offices that have been empty for a long time. This works in our favour for the prior approval application, because we can argue that we're not taking any earning employment away from the area. Plus, providing supported living creates jobs because you need support and care staff. It's another tick in the box of commercial conversions that you don't usually get with a purely residential scheme. The Job Centre recently renewed their lease for a further ten years, which means we have income from day one. We also have the opportunity to split the titles and create an uplift in value straight away if we wanted to. Luckily, the care provider we are working with on this project has been working closely with the Job Centre, so they are looking forward to strengthening that relationship.

In general, this type of accommodation has been poorly provided for in North Devon, and many people with learning disabilities or autism have been forced to live away from their community because of the lack of safe supported property in the area. We have been looking for a property to convert to flats in the area for a while but had struggled to find the right building. Most of the buildings in the town are too old and small, and while they're beautiful, they're not suitable for creating the accessible, spacious and safe flats that the provider requires.

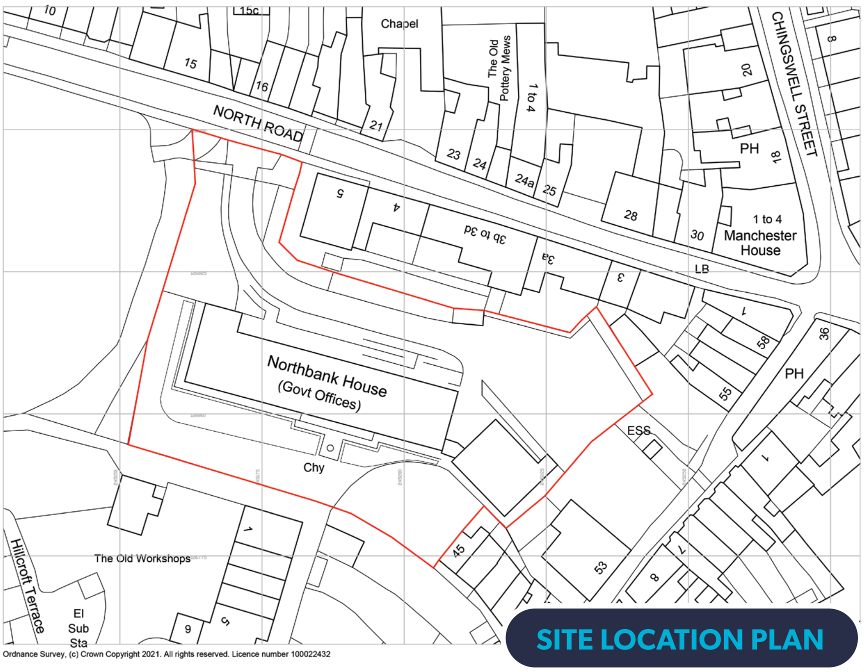
This building is located close to the town centre, where parking is very difficult. However, the building has ample parking for support staff, visiting specialists and family and friends, which makes it pretty unique in the town. Its proximity to the town centre means tenants can walk into town and be a part of the community, where they will be able to access jobs and volunteering opportunities easily. In recent years there has been a move to create homes for people with support needs within the community, instead of large remote institutional buildings as have been used historically.

The building is on the edge of the conservation area, and to our surprise we found it has a beautiful old walled garden, where we will create an accessible sensory garden for all the tenants to use.

The building does look pretty ugly — a testament to 1960s concrete! — but our architect, Tony Horsey, has some great plans to give the building a facelift and improve its appearance. It has lots of natural light, which we will be using in the flats, but we will remove some windows to help with thermoregulation. The upper floors have great views over the town and to the river, which enhances the feeling of space in the building.

It has high ceilings, so we can create big voids for services, and there's easy access. There's little structural work to be done, and we're working with the fabric of the building, even to the point that our architect has incorporated the existing columns into the walls.

We are excited to be transforming this building into safe accessible homes close



to the town centre, so the people who live there can be part of the community and live close to family and friends.

The conversion

We are using permitted development to apply for a conversion from B1 to C3 residential. This gives us the benefits of reduced planning costs and a shorter timescale. We're confident that the planning will go through towards the end of September, and we have two applications in the system — the change of use, and another for a change of elevations. Once we have the prior approval, we can get going. There will be a period of quiet when we're sorting out the building regs, bringing in the consultants and creating the tender packs and so on. We hope to start the development before Christmas.

Once we have the prior approval, then we can progress the negotiation with all parties — the local authority commissioner, care provider and registered provider have all been involved in selecting this building and have all bought into our vision for the conversion. We've put forward a manageable rent which will need to be agreed between the registered provider and local authority.

In a supported living scheme like this, there are several different parties you are constantly working with — the housing side, involving the registered provider; and the care side, involving the care provider, the local authority care commissioner, the housing benefits team and so on. These conversations will be progressing once the planning is in place, at the same time we're going out to tender and doing the building regs and so on.

Case study figures

(Please note that as this is an ongoing project, some of the figures are projected or estimates.)

Purchase price: £730,000

Purchase costs: £30,000

Development: £955,000 (all costs including interest)

End value: £2,200,000

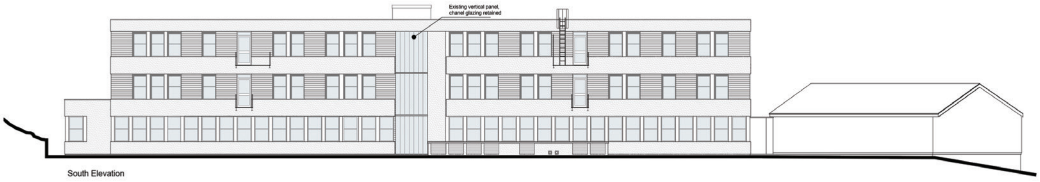
Lease income: £170,000pa

Alternative exits

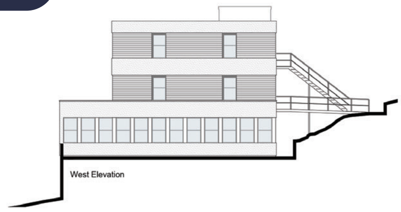
The beauty of the building is that it can be split in so many different ways. The commercial element on the ground floor is desirable for many investors (pensions, REITs, etc), or we could develop the flats for the private market by creating leaseholds or holding them as private rental units. Alternatively, serviced accommodation is a viable option for this area. Furthermore, we could also develop it and sell it to a housing association, or sell it as a performing asset once tenanted.

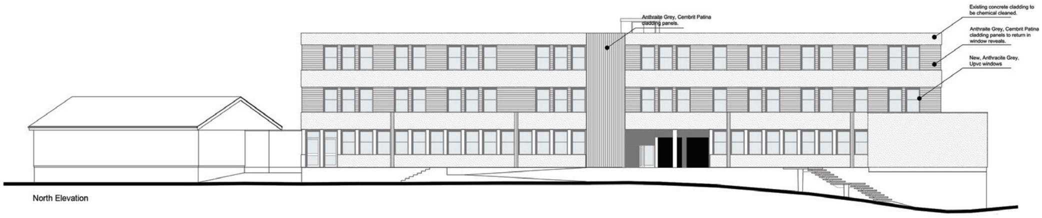
If we were to go down the residential route, we also have the opportunity to put another floor on top. It would need more planning permission and we'd have to do the figures on it, but we could get another eight apartments if we needed to. We have three or four solid exits lined up in case it doesn't work out, but we're confident that we won't need them.

Despite buying the building for supported living we don't have a formal commitment with a piece of paper from the provider saying they're going to commit to leasing the property, and we're doing this on a verbal agreement. However, after working in this sector for several years, we understand the risk, we focus on the relationships involved



PROPOSED ELEVATIONS





Financing

We have used investor funds to purchase this building, working with SSAS investors facilitated by Compound Together. They have a combined first charge over the building and are being given the opportunity to learn about the process alongside us.

We are completely honest with all our investors, and we're transparent about all the other exits so they know that if it doesn't work for supported living, it could still be viable in another way. Although everyone slates property investors and landlords, thinking they're all evil, everyone wants to do something good with their money, and most people love the idea of supported living.

We want it to be a learning experience, so many of our investors are involved on an earn-and-learn basis. We send out newsletters and hold discovery days. The biggest thing for us is openness and transparency.

Working with investors can work out simpler than using standard development or bridging finance. We enjoy the relationships we develop with investors and we are always interested in developing long-term relationships. We have an 18-month borrowing term which will give us plenty of time to finish the project.

YPN Says

This sounds like such a great project, and certainly showcases the flexibility that commercial buildings provide for the supported living sector. We wish you all the best for your development, and will look forward to seeing the finished product next year!

Get in touch

Email: **hello@supportedlivinggateway.com**

Website: **www.supportedlivinggateway.com**

Social media: **Supported Living Gateway on all social media channels**

NEW APP UPDATE NOW AVAILABLE

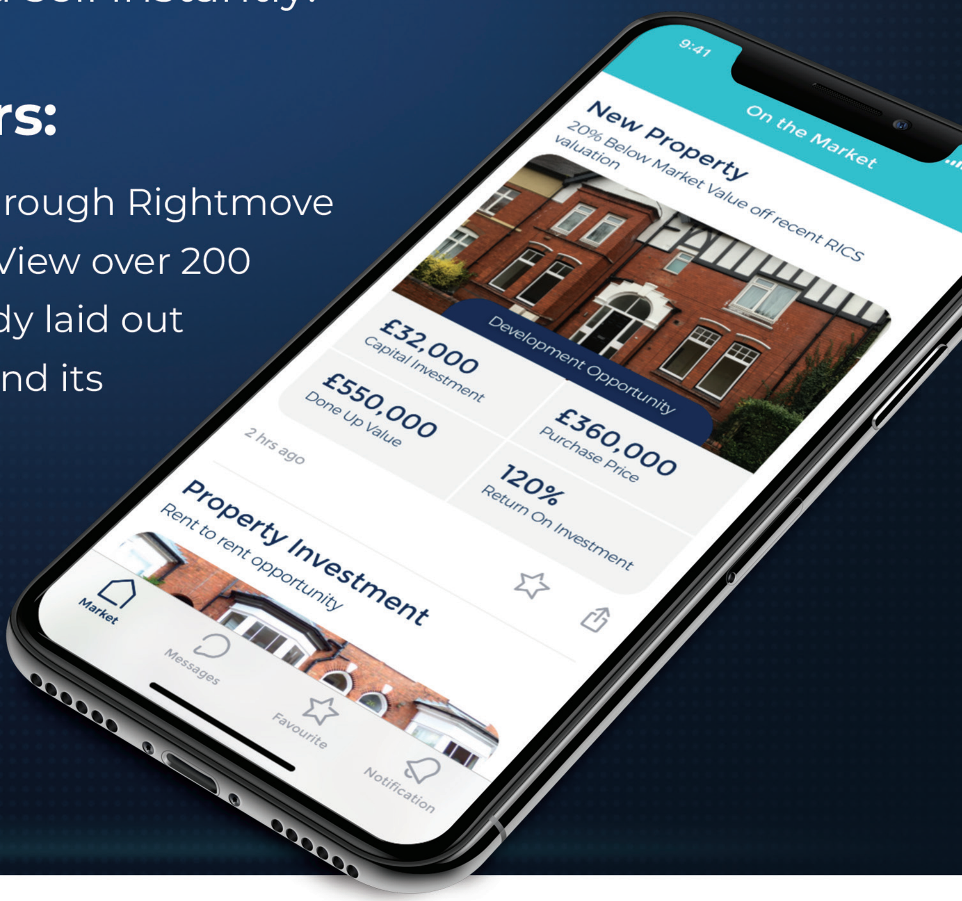
YOU CAN NOW **UPLOAD YOUR DEALS DIRECTLY** WITHIN THE APP!

Have you got a property to sell?

Why not showcase your property to **over 25,000** property investors and sell instantly!

Property Investors:

Are you tired of trawling through Rightmove and dealing with agents - View over 200 properties which are already laid out showcasing the property and its financial forecast in a easy to understand manner.



Property **Investor**

DOWNLOAD FROM

Download on the App Store

GET IT ON Google Play

Go large and increase your profits 10x!

HOW LARGER COMMERCIAL CONVERSION PROJECTS CAN YIELD GREATER RETURNS ON YOUR TIME, EFFORT AND MONEY

Interview: **Jayne Owen** / Words: Angharad Owen

Dan Taylor and his business partner, Alex Impey, have teamed up together on a mission to create 10,000 homes in the UK. Specialising in multi-million pound deals, their projects might be daunting to some, however we hope that this article will showcase how there's not much difference between smaller and larger deals. The case study they discuss here is a large, mixed-use building where the ground floor commercial element will be retained, and the upper floors converted into flats to sell. We will be following this project's progress over the coming months.

About Taylor Capital

Taylor Capital is a private members' club where business owners and professionals who want to grow their capital but have little to no time to do it, come together to create passive income portfolios. They get the benefits of real estate without the hassle. Then when they are ready to invest in their own assets, Dan and Alex's deal team help them create similar results in a faster timescale, mitigating risks and adding significant value along the way, so that investors don't have to spend months or years building their own team. *"This is real world stuff,"* Dan says. *"It's not high level stuff, this is where the rubber hits the road."*

About Dan

Dan, founder of Taylor Capital, has been operating in the commercial property sector for over 30 years, having started with commercial to residential conversions in the late 80s. From there, he moved on to focusing purely on commercial assets and business acquisitions, some of which were re-purposed into residential. Others, such as the tenpin bowling alley featured in a previous YPN issue, were converted into national high street brand premises. *"I love the creativity of commercial,"* Dan says. *"I love the hybrid schemes that we're pushing on now."*

He also enjoys helping other people accelerate their journey and achieve similar results through his commercial property club, the Taylor Capital Club. *"I suppose it's like stabilisers – if you're going into the world of commercial property, don't do it alone."*

About Alex

Alex is the founder of CoCity, a self-described new breed of property developer. His target is to regenerate under-utilised real estate across the UK and repurpose buildings into community-centred live/work/play experiences, focusing on lifestyle. He's also the head analyst for the Taylor Capital Club.

He has been involved in property for over eight years. Before becoming a developer, he was a chartered mechanical engineer and worked in some of the world's most harsh and remote locations. His work involved designing and creating resilient infrastructures, such as petrochemical refurbishments in Iraq. In teaming up with Taylor Capital, he's bringing his vision, knowledge and expertise to create something exciting for the future of real estate across the UK and beyond.

The Case Study: NORWICH HOUSE

Overview

The property is a multi-use commercial building in the centre of Guildford, Surrey. It's a dated concrete structure built in the late 60s/early 70s. On the ground floor there are two retail units, while the upper floors house a second storey for one of the retail units, a hot yoga studio that went into administration and a number of offices.

Alex first spotted this opportunity two years ago when it was on the market for £7.6m. However, the numbers didn't stack up at that price. Fast forward a year, he and Dan were analysing some deals for the Taylor Capital Club, and one of the members mentioned that the price had dropped to offers over £6m. That kickstarted the second appraisal of the building, and the lower selling price meant that the numbers worked a bit better.

Dan and Alex managed to negotiate the purchase price down to £4.9m, and the club member who brought the deal back to the table will receive a £75,000 sourcing fee. The potential to generate sourcing fees for deals is one of the benefits of being a club member.

Going large ...

These numbers might appear significant and are possibly higher than what the majority of commercial investors are looking at. But, speaking from his years of experience, Dan raises the question: *"Why not go large? You can make 10x the profit going large than you can make, for example, from a single shop and uppers with two flats above the commercial floor, over relatively similar timescales."*

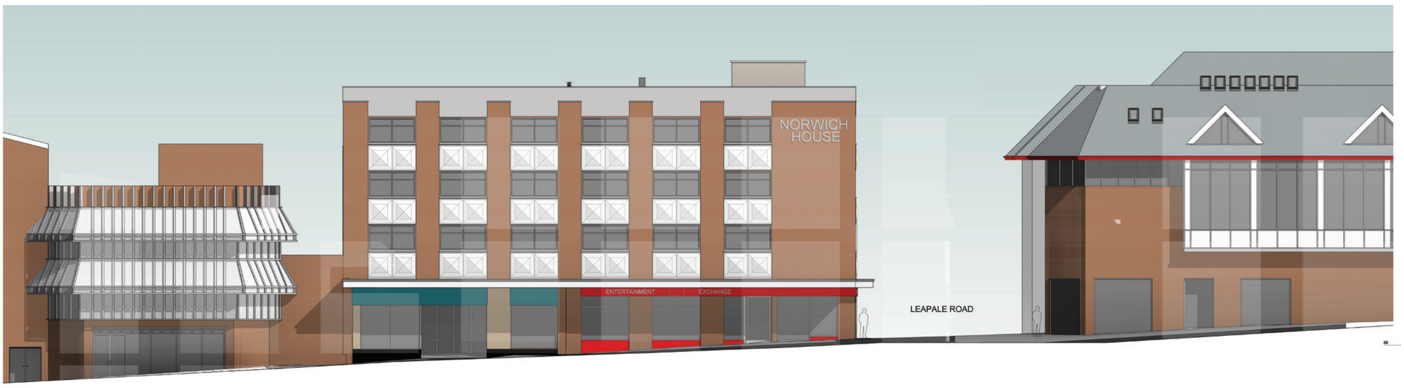
While such projects might be initially be beyond the scope of business owners and professionals who have little in the way of time, being a club member gives them access to these larger mixed developments, which in turn means they can still make significant returns on a hands-free basis.

Finding the property

Dan and Alex have a unique strategy for finding properties, as a route to trying to create a flexible live-work-play model. They focus on 16 key cities within the UK that will appeal to commercial tenants and residential buyers, and have a trilateral approach to sourcing and securing transactions:

1. **Informing club members of the exact KPI's that they are looking for in a project. A sourcer through this route is (generally) paid between £5,000 and £50,000 for a successful deal, which can sometimes be as simple submitting as a PDF.**
2. **Nurturing relationships with national agents.**
3. **Maintaining close relationships with big funds that are selling stock that needs to be repurposed.**

Norwich House had been on the market for over 14 months by the time they bought it. *"We always bash myths that you need to have these super-secret, clandestine networks to get all these deals,"* Alex explains. *"It's not the case. It's about deal sculpting and understanding the journey to turn an okay deal into a really, really good deal."*



Existing South Street Elevation

Proposed South Street Elevation

The plan

In total, the project GDV is anticipated to be £14m, made up of £8.5m on residential and £5.5m on commercial. Planning has been submitted for 25 apartments, to convert the existing upper floors and build two new storeys at the front and the rear. The retail units on the ground floor will remain. This was important to Dan and Alex, as these will create cashflow from day one. The total development costs are expected to be just under £9m. *"We have five different planning strategies for this property."*

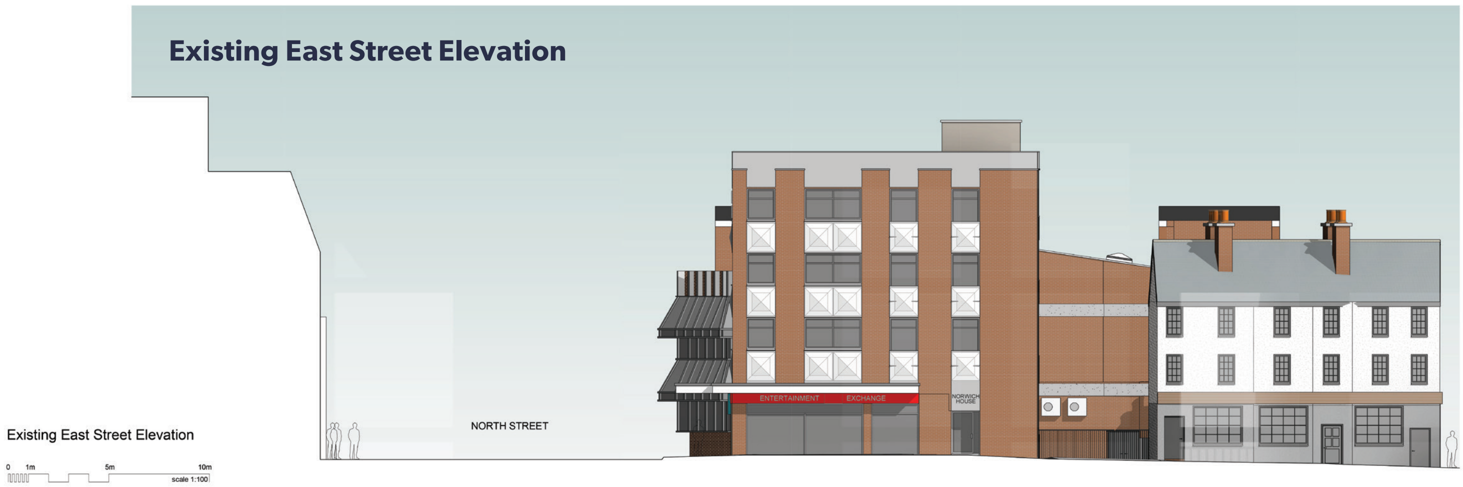
It doesn't happen in every deal, but according to Dan, there is nothing more satisfying than creating cashflow on day one. *"You pay the money and you also get a cheque back. Happy days!"*

While adding value to low-value commercial space by converting it into high-value residential is incredibly lucrative, it's nevertheless important to stick to the fundamentals of commercial investing — always buy cashflow, always acquire value and then boost the value.

In Norwich House, Alex and Dan are adding value in two ways: by converting the upper floors into residential and by re-gearing the leases downstairs. Poundland, one of their commercial tenants, are very strong and generate 6% yield per year. Their rent is £260,000 per year, and they have a five-year expiry on their lease.

Their second tenant, CeX, a national chain selling second-hand gadgets, has a lease that expires in June next year. *"A lot of people would probably panic about that,"* Dan says, *"but we kind of embrace it."* They're paying £150,000 per year, and Dan expects to re-gear onto a ten-year lease with a break clause at five years on the tenant's side. Even if the rent stays the same, the value of the asset will still increase as commercial values are calculated on the strength of the tenant and on the terms of the lease. *"Simply by understanding how to re-gear leases, we can add significant value to commercial properties. At a high level, we are buying the building at £5m, the commercial alone will be worth £6m, so we're baking in £1m profit before we even get in, which effectively means the upper floors are free.*

"Fundamentally, if you're buying the uppers for £0 per square foot, and the residential exit values are £565 per square foot, with a build cost of £165 per square foot, there is significant margin because of the hybrid commercial/residential strategy. This massively de-risks the project for our investors. As for us, the most important aspect of any project is return OF capital before return ON capital."



Funding

Taylor Capital Club members have the opportunity to create a passive income stream by investing in this development on a fixed return basis. The repayment is split — half is paid quarterly, generated by the commercial units; the second half is paid back when the project is complete. As the commercial assets are generating £410,000 per annum, it provides strong debt coverage and further mitigates risk as it will easily cover the investors' repayments.

"Club members have access to create a passive income portfolio as a result of deals like this being brought in on a quarterly basis. In effect, every quarter our investors can add another passive income stream to their portfolio, creating a fixed return on each transaction. We go so far as to put personal guarantees in from Alex and myself," Dan adds. *" We like to keep our feet to the fire and give that comfort to our members."*

Bringing the development to fruition

There are three things to be considered when planning the development: operational risk, mixed tenure scheme and wellbeing.

OPERATIONAL RISK

Alex examines the risks on any project through a model he calls TECOP — technical, economic, commercial, operational and political. These are the five areas of risk that need to be considered very early on in the process, and are mapped out on a chart of probability versus consequence.

Anything that scores high on both is considered risky and expensive, and would need to be reconfigured to reduce risk. One of the biggest responsibilities for this project is attempting to continue with the conversion while the commercial units are still operational. Alex and Dan are working with their full professional team to constantly navigate and adjust the best way forward. At the time of writing, it continues to be an evolving discussion. *"This is ongoing to make sure we can create the safest environment that allows for simultaneous operations to go on,"* Alex adds.

Things to be deliberated are barge boards, putting up scaffolding with tarpaulin and disposing of waste during certain off-peak hours. They will continually assess all risk, as it will overlap with the environmental and operational strategy of the main contractor and tenants, and they'll work with their professional to ensure the right approach is in place.

MIXED TENURE

"We didn't want to just create super expensive penthouses that people can't buy," Alex says. While there is a currently a strong focus on affordability, it must be kept in mind that the development is in the South East, where house prices are significantly higher than other parts of the country.

All apartments will be within the Help to Buy scheme limits, to attract a wide range of people from different backgrounds There will also be two penthouses, which might appeal to an older demographic looking to downsize. The development will also incorporate a co-living aspect, giving people who may not be able to afford to buy their own home yet a chance to enjoy the experience. Some units will also be held for private rental too. *"You might aspire to level up from co-living to private rental, to shared ownership, to then maybe full ownership,"* Alex adds.

Some units will be set aside specifically for social housing, or what Dan and Alex are calling intermediate housing. These spaces will be offered at 15-30% below market value, however this is dependent on the final numbers and discussions with the local planning authority. Finally, two or three homes will have a discount in perpetuity, and therefore will have a 30% discount forever. Alex and Dan hope that this will help people to get onto the housing ladder. *"That was really important for [us],"* Alex says. *"We've come from backgrounds where we understand the importance of support. It was really part of our ethos, especially for CoCities, creating that truly mixed tenure and not being so exclusive that only people with a certain salary can afford it."*

WELLBEING

A big part of this development is creating spaces to specifically support the community. The co-living element is a good example, as will be the eventual on-site co-working space. As the property is in the town centre, outdoor space is therefore a premium. To go some way to addressing this, they are planning to create an extended roof garden, which will have great views over Guildford.

Current progress

At the time of interview (July 2021), they haven't yet completed on the purchase. They have exchanged, are unconditionally committed to the property, and have paid a 10% deposit. Completion is due in November, and they decided to buy with delayed completion to give them time to add some value to the property. Once the purchase has completed, they hope to invite investors to the project every quarter so they can understand the entire process from start to finish.

The next instalment of this series will cover the details of financing, funding and costs of works. Keep an eye out

Contact

Taylor Capital Club members are educated about commercial property, offered passive income streams and opportunities to be involved on an earn-and-learn basis.

To find out more about the club and how to join, go to **TaylorCapital.co.uk**.

Listen to the full conversation with Dan & Alex here.

https://bit.ly/3C3jKJw

FREE!

FIRST TIME CENTRAL HEATING (FTCH) GRANTS FOR LANDLORDS AND HOMEOWNERS ARE NOW AVAILABLE

January 2020 was the start for the new government backed ECO3 scheme which includes First Time Central Heating (FTCH) for Private Landlords and homeowners whose properties have never had a gas central heating system before. Plus most councils now offer a scheme that works alongside the Government backed ECO3 scheme called FLEXIBLE ELIGIBILITY (LA FLEX). The local council sets its own qualifying criteria for LA FLEX so whether or not the tenant/ homeowner receives benefits they may qualify for FTCH.

Our installers will assist with connecting the gas pipeline (free within 23 meters of the gas mains) and gas meter and will install for free:

- **A rated Worcester Bosch Combination gas boiler with 2 year parts and labour guarantee**
- **Radiators with Thermostatic Radiator Valves (TRV'S) and pipe work throughout the property**
- **Remote Control Thermostat**

We are looking to install **FTCH** in houses and certain flat types that currently have Electric Boilers, Electric Panel Heaters, Electric Storage Heaters or gas/ coal fires etc. (basically any property that has never had radiators fitted before).

We will also insulate lofts, cavity walls and under floor insulation which is included in the **FTCH** scheme.

It's difficult finding properties that have never had a gas central heating system before, which is why we are contacting Private Landlords and homeowners through **Your Property Network** to see if they have any properties in their portfolios that might qualify for **FTCH** and would like to upgrade them with a full gas central heating system for free.

The **ECO3 grant** is aimed at helping low income families in fuel poverty areas and the government hitting their 2050 CO2 emissions target ergo helping to reduce bills and aid in preventing global warming so a win win for everyone.

The **FTCH** scheme is also available to Limited Companies (not social housing/ HMO,Charities).

The qualifying benefits are:

- Armed Forces Independence Payment
- Attendance Allowance
- Carer's Allowance
- Child Benefit
- Child Tax Credit
- Constant Attendance Allowance
- Disability Living Allowance (DLA)
- Guarantee Credit
- Income-related Employment and Support Allowance
- Income-Based Jobseeker's Allowance
- Income Support
- Industrial Injuries Disablement Benefit
- Personal Independence Payment (PIP)
- Severe Disablement Allowance
- Universal Credit
- War Pensions Mobility Supplement
- Working Tax Credit

Please ask your tenants/ homeowner if they receive any of the above benefits.

To arrange a survey or for further information please contact:

David Dickson
ECO3 Lead Generator
M. 07305596080
Email: davedickson55@hotmail.com

Converting a property that you don't even own!

Using the R2R strategy to repurpose an office block to residential use

Interview and words by **Raj Beri**

In this candid article, UK-property newbie Stephen Baxendale highlights his property journey across two continents. Using his ever-growing network, he has managed to kick start his UK property journey initially as an investor, which then moved onto a formal JV partnership.

Office conversions often conjure up images of large buildings with eye-watering conversion costs. The project Stephen highlights here has been secured on a R2R basis with minimal outlay and the possibility of purchasing it via a PLO.

YPN: Could you tell the readers a bit about your background?

Stephen: I was born in Manchester, but our family emigrated to Australia in 1969 and I spent the following years moving from Sydney, to Adelaide, and finally to Canberra. Since 2001 I have been visiting the UK every couple of years for family reasons. My corporate career was as a program delivery manager consulting to the Australian government and I developed key skills in financial management, risk management and contracts. Some of the projects I have led were property related, eg I have worked for Border Force with an outcome to construct facilities for Border Force officers at each of the eight major airports, which meant building in very tight spaces. I managed to become quite skilled at squeezing the maximum into the smallest amount of space.

Airports generally have tenants and usually, those tenants represent the retail side of the airport business. I had to consider those tenants and deal with construction workers and the work had to be carried out whilst taking into consideration aircraft/passenger movements. Over the years, the skillsets I have acquired are now serving me well in the property world.

YPN: You became interested in property on two separate occasions – how did that come about?

Stephen: Shortly after we moved to Australia, I recall my parents really struggling to buy their first property and I didn't want to follow the same path and suffer the same challenges later on in life. When I left school, I decided to buy a piece of land rather than a car like all my friends were doing. I paid $4,000 and a few years later I sold it for $36,000 which piqued my interest in the world of real estate.

I didn't do much in property for almost two decades and then moved in/out of BTLs in Australia, but eventually sold most of them as they just weren't performing well enough. In 2017 I started to take an interest in various UK-based property strategies and tested this as a remote investor in a small commercial to residential project in Stockport. Because I travel back and forth to the UK, I knew that I had to find strategies which would deliver cashflow regardless of my location, and also provide reassurance that my investment projects would be viable remotely as I plan to live part of the year in Australia.

By the time we arrived again in the UK, in 2019, I had already given up my corporate job so a big challenge for me was cash flow. I liked the speed and certainty of property rental income compared to something like the stock market.

YPN: How did you decide on strategy and investment area?

Stephen: It was in 2018 when I started making connections with property people through Facebook. I made a connection with my now business partner and because he is based in Grantham, the same town became my focus. I am based in Coventry, which is only 90 minutes away. Grantham is a large town with good demand for rental accommodation and great transport links. It has a selection of reasonably priced properties, which makes deal stacking much easier, and of course my business partner has a number of contacts and properties there, so it's an area he knows well.

Grantham is very much a worker community, so that became our target market. Our plan was to start with HMOs and we knew that we could satisfy the local market demand without spending huge amounts on refurbishments. My first

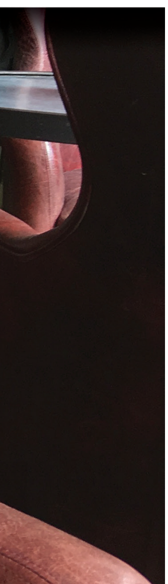
project was as an investor and through this route, I was able to undertake my due diligence on the area, on my potential business partner and on the builders. Although I was an investor, I provided input into the project using my previous skillset and was also able to spend a lot more time getting to know the Grantham area.

YPN: Tell us about your first few property deals in the UK.

Stephen: Starting in 2019, my first deal was as an investor converting a four-bedroom end-terraced into an eight-bedroom HMO with six en-suites. I started to learn about HMOs on this project, particularly building regulations, amenity standards and the laws governing HMOs, ie planning and licensing. Although I am not a builder, I was able to contribute to managing the project using skills from my past corporate world.

That first project is structured in such a way that I will earn cashflow from the project for the next three years although there is no provision for equity. Nevertheless, the practical knowledge that I have gained will be invaluable moving forward. In particular, I now have a clearer understanding of my tenant market in the area, which comprises workers who are not overly demanding but definitely want large spacious bedrooms.

The next project was a flip with the same person but being unhappy with the previous builder, we agreed to engage a new one. We purchased a probate property and undertook a full refurbishment including the addition of an extra bathroom on the first floor. The main delay for this project was sorting out the utilities. Because we needed to bring a gas supply from across the road, which required road closure, it took many months to organise. The property sold very quickly (on paper) but the buyer took a long time to complete due to challenges with their solicitor. We didn't make a huge profit from the deal but it was a satisfying project as I learnt more about the area, the builder and sorting out utilities!



Case **Study**

St Catherines Road

Grantham

In this R2R deal, the small office block was converted to residential (HMO) use through planning

Set up costs

Repairs & compliance	**£5,269**
Furniture	**£2,700**
Total costs	**£7,969**
Monthly rental income	**£2,820**
Monthly expenses (rent to landlord, utilities)	**£1,557**
Voids and management	**£282**
Net monthly cashflow	**£981**

The works undertake included:

- **Addition of showers to the existing toilet facilities**
- **Extended kitchen bench tops**
- **Change of use B1 to C3, then to C4**
- **Converted supply meters to domestic**
- **Fire and Electrical upgrades**

YPN: Tell us more about the office conversion project in Grantham.

Stephen: Having been involved in an HMO as an investor and a flip as a JV partner, we had formed a good relationship with the agent. He highlighted a commercial building which wasn't one of their listings, but he knew the landlord's circumstances and suggested that we have a conversation with him. The property is very close to the town centre and had been empty for a long time. It was a three-storey office building with a lot of positives, eg it didn't need a huge amount of refurbishment work and the rooms were extremely generous, which would suit our target market.

The main challenge was that being a commercial building, we would need planning to convert to class C3 (residential dwelling), then C4 (HMO). Fortunately, the owner agreed to undertake the planning process for us and even though it looks like an office building from outside and was tired inside, we felt that it was a viable project to take on as a R2R. The building comprised seven offices, plus a separate office to the rear with its own access. The rent to the landlord is £1,200/month and we were able to negotiate a rent-free period of four months to allow time to change the commercial fittings and to give us the chance to secure planning permission. The rooms have rented out at between £400-£450/month on an all-inclusive basis and we have also rented out the office at £250/month.

In terms of works carried out, all of it was non-structural. We converted one of the offices into a communal area, increased the kitchen bench space, and added two showers to the existing toilet facilities. The rest of the property required a bit of a spruce up, plus sorting out some of the electrics, lighting, furniture etc.

The owner wanted to see if we were sincere and would pay on time and look after his property, so the R2R arrangement suited all parties. More recently, the owner has approached us about potentially purchasing the property and he has invited us to look after two other properties for him on a R2R basis. This has all happened because we have taken the time to get to know him and to find out what he wants.

YPN: Tell the readers about the challenges you have faced as a beginner in the UK property industry.

Stephen: As a remote investor, my biggest fear has always been having voids. To date, all of our tenants have been short term so turnover has been high, which is a constant worry. In one instance, a tenant vacated and took the furniture with him! Others have left not having paid the rent. We've learned from those experiences. We now have systems where we do better due diligence on potential tenants and request guarantors. We have also appointed debt collectors to chase down bad debts.

We had a huge challenge with utilities, including having to switch the tariffs from commercial to domestic, which is not straight forward at all. The council have to endorse a building if it is no longer a commercial unit, but they won't do that until the VOA have visited the property to reclassify it. They did visit eventually and wanted to individually band all the bedrooms – we had to argue our case against this, so plenty of challenges on this project. The key thing is not to panic, ie just work with what you've got and sort the challenges out as they present themselves, especially when in new territory as I was and knew nothing about VOA. The point is: don't wait to know everything to get started, just go forward one step at a time.

Running HMOs in the local market is new to me and I am learning from our mistakes. Two of the tenants we took on were benefit tenants. This is a sector I have no problem with, but in one instance, a tenant was sent to prison and that proved to be an interesting obstacle. We also have some Eastern European worker tenants and tenants of different age groups, so there is significant incompatibility in the house which we have been sorting out.

YPN: Where is your property business heading in the next few years?

Stephen: As I have already mentioned, generating cashflow is paramount but quite naturally this is taking time. Fortunately, I do have equity in my Australian property and I have been using that to support myself whilst I build up property cashflow in the UK. My plan is to live some months of the year in Australia and some months in the UK and I hope to implement property strategies relevant to the two countries. In the UK, PLOs have appealed to me and we have recently secured our first business using this strategy. It's a clinic I have secured with my wife and we are planning to secure three more clinics by the end of the year and hopefully increase that to between five and ten by the end of 2022.

We have continued to look for other opportunities and recently we identified one in a very unusual way. A few hundred metres from the flip we did is a pub that closed down due to Covid. An article appeared in the local paper describing it and the owner, Bob, who is in his 80s and looking to retire. We approached him and are now in the advanced stages of negotiating a PLO with him. Our plan is to convert the pub to five two-bedroom apartments.

My business partner and I have taken on a PLO to convert a four-bed to six-bed HMO in Loughborough. We've also recently agreed a PLO on a small portfolio comprising 12 HMO rooms in Lincoln. I am also evaluating and negotiating on another pub, this time in Doncaster, which has the potential to become a ten-bedroom HMO using the uppers with four, one-bedroom apartments on the ground floor. Combined with the health clinics I am hoping to secure over the next 12-18 months, my ultimate target is £18,000/month.

Obviously, doing these deals requires a degree of sourcing activity. We have had success with tapping into various networks, where our pipeline of deals is coming from. We have agent relationships and have also tapped into their network. Slowly but surely, this is paying dividends and we are building a great reputation.

YPN: What would be your three top tips?

Tip 1: If you need to invest remotely, don't be afraid to partner with somebody because you may have skills that will be of benefit to the partnership. Think about finding a partner to work with and don't let distance be an excuse.

Tip 2: Evaluate your tenant demographic and build the specification of the property around the tenant type. My tenants won't pay more for an en-suite room as they are on a tight budget, so we give them what they can afford.

Tip 3: Don't just rely on your own network. Have conversations with people and tap into their network to find out what they want and whether you can work together.

Get in touch

Email: **stevebax@iinet.net.au**

Listen to the full conversation with Stephen here.

https://bit.ly/2Xhng44

Property Master Academy

Your Future is Our Focus

WE WILL HELP YOU FIND IT, FUND IT AND BUILD IT.

PMA Property Developer Elite Plus On-Line & Personal

We're delighted to welcome Andrew Featherstone as the lead Mentor for this new programme with 100% focus on development.

Andrew has been developing for over 15 years and built up a residential portfolio in excess of £12m from nothing in 15 years – he will show you how you could do the same.

Brand new programme with direct access to Andrew and the full PMA Team and network

Our first Online and Personal Development Mastermind programme with immediate support and mentoring

Expert guidance and support:-

- Why development?
- Locating the project
- Appraising a deal
- Funding of projects
- Development Types
- Building Out
- Planning your exit
- Weekly group zoom and accountability
- 1-2-1 meetings and access

Enquire about your place on the programme today

01252 730040 info@propertymasteracademy.co.uk

Or book your call here: https://go.oncehub.com/YPN9

Angharad's Rant

Am I a plumber repellant?

For those of you who aren't in the know, I recently bought, and subsequently moved into, my first ever house. The upside is that there's a beautiful garden with far-reaching views over to the Malvern Hills, the downside is that the house hasn't been touched since the 80s.

Perhaps it was naive of me, but I somewhat fell into the romantic notion of doing it up while living in it, before my other half and I inevitably move on in a few years' time as our respective careers progress and we will rent it out.

Since it's a 1920's house that hasn't been properly updated for 40 years (apart from a bit here and there), you can imagine quite how much work needs to be done.

Now, I don't mind getting my hands a little bit dirty, and in fact I stripped three layers of wallpaper from the living room (WHY did they think this was a good idea?!) and I've happily ripped up three different (and clashing) carpets from three separate rooms. But as with any project, there are things that I can't do such as, plumbing, electrics and, the big one, installing a boiler.

In the property investor world, and probably in the trades world too, doing a home refurbish isn't considered a big job. However, there's still more work here than just the average five-minute job.

We decided to start with the most pressing concern — the shower. Hot water only came out in a dribble. So in order to get clean (and without washing in cold water), I had to come up with a system that involved warming myself with the hot dribble, before switching it over to cold so the pressure could actually wash my hair, and then switching back to the hot dribble before the water got too cold, to warm myself back up again. Rinse and repeat. It was a tragic situation.

I called a plumber, who I found through Checkatrade, explained the situation and he was more than happy to come out and take a look. "It's the tap!" he said when he arrived on Tuesday. "I'll come round and install a new one on Thursday." Hoorah — finally, I could have a nice hot shower.

We waited patiently all of Thursday. And Friday. We called to ask when he was expecting to come ... and eventually he stopped answering the phone. Well, okay then.

In the end we tried to fix it ourselves — and (naturally) created a new problem in the shape of a leak into the kitchen. It's okay, we put a bucket down.

So the next week I called two more plumbers. One was on holiday and said he would call me when he was back next week, and the other said he'd come round tomorrow. Plumber 2 was very helpful. "Ah yes," he said. "The bath is awkwardly installed, so we'd have to take it out to put in new taps. Are you planning on getting a new bathroom? Send me over what you want, and I'll price it up for you" Indeed, however tempted I am to save the avocado bath suite and pink walls, I think it's time for an update.

I emailed him everything over I wanted and he answered a couple of queries I had on materials etc. I replied asking for his quote, how long he expected the jobs to take and when he could start. No response.

(And no follow up from the Plumber on Holiday either).

In the meantime, while I was battling plumbers, my boyfriend had called a builder to come round and look at the damp problem, as well as a few other cosmetic works that need doing. He came round on Saturday, took measurements, said he'd send us the quote by Wednesday. And guess what? We heard nothing.

I am genuinely baffled. That's three tradesmen who have made the effort, by taking time out of their schedule, or come over on a weekend, to quote for works. It was made clear each time that there would be more works in the future (I mean, it's pretty obvious when visiting the House of Woodchip Wallpaper and Avocado Bathroom). I asked how they would like to be paid, and they each said on completion of the job. But by not following up, or not turning up when they said they would, or not replying to emails/texts, they're not even giving me a chance to pay them for their initial call out.

I was beginning to wonder if it was me. Was I doing something wrong? Or describing what I wanted incorrectly? Or was my tiny house refurb simply not worth their time? In which case, I really don't mind, but just let me know that you don't have the capacity to take it on. It's a bit of common courtesy, isn't it?

A month in, and the water tank has started leaking (another bucket!). So I took to Google and typed in "plumber in Worcester". I called the first one, which happens to be a bigger company, not a one-man-band, and spoke to a receptionist about the works and my previous experiences, so it was made clear exactly what my expectations were.

Last week, Plumber 3 came out, and within 24 hours he had sent through quotes for two jobs — replacing the old leaky water tank with a combi boiler and redoing the entire bathroom. He's on holiday this week, but he said he'd be in touch to schedule it when he gets back.

Am I holding my breath? Not exactly. But I really do hope that third time is the charm. After all, I'm beginning to run out of buckets ...

RANT OVER

Angharad

Uplifting value through planning gain

Interview and words: **Phil Saunders**

Dirk Visagie is co-director at Archangel Architects, a successful architectural practice company based in Cambridge; and Dirk's wife, Adri Visagie, also runs Architectural Design Practice, SPACE+. They have worked on multiple planning uplift projects and have obtained a wealth of knowledge and experience in this area during their careers.

It was a great pleasure to talk to Dirk last month about the possibilities that lie within planning uplift. It sounds like an easy way to make some quick money, right? But it is also a potential minefield and fortunes have been made and lost on the outcomes of a planning committee. I am going through a planning application myself at the moment so am well aware of how a deal can hinge on whether your planning application is granted or not. What lies here is meant to act as a guide and to further your knowledge on the planning system, however you should always seek the advice from your own architect or planning consultant about individual projects and circumstances.

I'll start with a basic run down of the various types of planning application that can apply on a project. Whilst not an exhaustive list, these are the main types of applications available in the UK at the moment. Dirk was incredibly helpful in compiling the pros and cons for each of these and there are some real nuggets of gold in here that I wasn't aware of.

archangel
ARCHITECTURE WITH SPIRIT

Pre-applications

A pre-application can be submitted before any other planning applications are applied for. Effectively it is a guide from the local planning officer as to how likely a full application will be to go through.

A lot of people dismiss the use of a pre-application (pre-app) and struggle to see its value, but it can certainly have its uses. One of the main advantages of a pre-app is that it is much cheaper than a standard planning application. Although it's not possible to get full approval for your project with a pre-app, it is a useful gauge as to the success of your full planning application.

It can also be used to help build that relationship between key parties, such as conservation officers or particular people within the council who can oppose your plans. The pre-app gives you the chance to gauge the thoughts of the council but remember the responses you get from them are only someone's **OPINION**. That is, no matter what the result, your full planning application can still be refused once it is submitted.

Another thing to consider is that the pre-applications are not considered when assessing the performance of the council planning team. Therefore, from within the councils there is likely to be much less interest in dealing with a pre-application as opposed to a full planning application. To reflect this, many councils have closed the pre-application process, at least temporarily, to focus more attention on

full planning applications. I can testify to this personally as I've been waiting over a year for the Peak District National Park to accept a pre-application for one of my new glamping sites.

It is worth checking with your own council how long a pre-application will take for them to assess, and if they are even accepting them at all. A better option recommended by Dirk is to go for **outline planning permission**. It's a more formal route and is therefore more respected by the council planning system, which should see better results. These are more expensive than a pre-app but at the end of the process you will receive a yes or a no answer from the planners, rather than an opinion. It's a reasonable bridge therefore between the pre-app process and a full planning application.

In Dirk's words: *"The planners get gauged on their performance in terms of dealing with formal applications within their statutory periods, whereas a pre-app is informal advice basically."*

Outline planning applications

You can submit an outline application about your project with less detail than a full planning application. This saves time and money in the application process. Unlike a pre-app you will get a definitive yes or no answer to your scheme. This also allows for some feedback on what may or may not get accepted on a full application.

"The advantage, even if you get a refusal, is that the refusal then gives you the exact planning legislation that they are using if you get a refusal or if you get an approval; obviously they also state the planning legislation used, so for us, it's a more useful exercise much earlier on to determine what the outcome of a site could be."

You can therefore use this to gauge your full application and what needs to removed or amended. Also, these types of applications do count towards the performance of the local planning officer, so you are more likely to get a quicker response. Like the pre-application, outline planning is also a good opportunity to build relationships with local planning officers and if you are flexible and work with them on your vision, you are much more likely to get a positive result. Flexibility on both sides at this stage always goes down well.

Full planning applications

A full planning application has many advantages, but the main disadvantage is cost. A main contributing factor to this is all the reports that need to be attached to the full planning application, each of which has a cost. The number and specifics of what can be required will vary from site to site, but a good planning consultant will be able to advise what is necessary. Here are just some of the more common examples of what can be requested:

- **Contaminated Land Reports**
- **Ecology and Habitat Surveys**
- **Arboricultural and Tree Surveys**
- **Flood Risk Assessments**
- **Water Management Statements**
- **Archaeological Investigations**
- **Topographical Surveys**
- **Noise Impact Assessments**
- **Air Quality Assessment**
- **Geotechnical reporting**
- **Traffic impact reports**

This is not intended to be an exhaustive list, but it demonstrates, particularly for a sensitive environmental site, just how quickly the cost of the planning application can go up. Just be sure to leave a healthy budget for this in your own developments.

The advantage of a full planning application is that you will get the full attention of any local planning committee as, unlike the pre-app process, full planning applications are part of their performance assessment. It will also give you a definitive yes or no answer on whether your project can go ahead. A necessary evil, I am afraid.

Permitted development

One part of the planning uplift that I haven't touched on yet is the new hot topic in property, permitted development. There are a lot of changes in this area of planning, particularly with commercial to residential projects that have got a lot of investors really excited.

Essentially, it's the ability to carry out certain works without having to go through the planning process. Permitted development rights already exist within property, but with the new changes coming, it is going increase the scale and scope of what can be achieved without planning exponentially.

It is certainly going to be a big opportunity. I don't have the space to do this full credit here, but one thing that Dirk mentioned that is worth remembering, is to make sure you get a **Certificate of Lawfulness** from the council for these developments.

You may also need to apply for **prior approval** for permitted developments or determine if prior approval will be required. This is something easily missed or overlooked. The local planning authority is motivated to act quickly in these cases, as in many circumstances deemed consent will be granted anyway beyond a certain time limit.

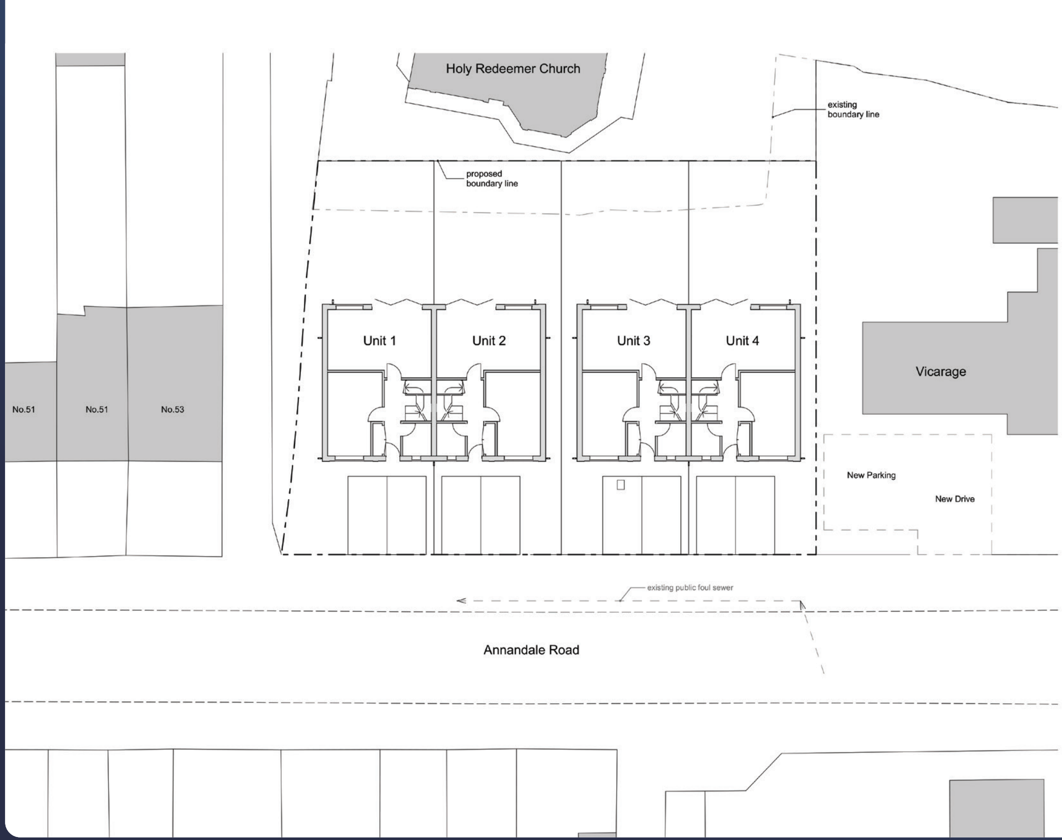
"You still need to make sure that you're interpreting the permitted development rights of your site correctly, you need to go and read in your local plan in your particular area, what might be classed a permitted development. For example, whether you're in a conservation area or the building's listed, or whether you have height restrictions in a particular area. So there's this … you need to make sure you do that formally by, at the end of that process, having a Certificate of Lawfulness."

Well, if you're still here, congratulations! That's quite a heavy read but what I really want to do is express how gaining these applications can really uplift the value of a project. Therefore, it's worthwhile knowing what is possible using the methods I've outlined above. Dirk was generous in giving me some great real-world examples from some of the projects he has been involved with, so with any luck this will all start to make a bit more sense.

Case study:
The church

"At Archangel we do a lot of work with churches … and we've done a few projects known as enabling developments. In this case, the church that owned the land obtained full planning permission for individual houses. The site was an empty bit of land next to the church.

"The church ultimately wanted to do a project on their own building to upgrade the facility as a community asset and as a community building. The land that they had attached to the site was not land that they wanted to develop as part of the project, they wanted to sell that land off with planning permission for houses, so they could then use that money to plough back into the community project."



So, in this instance, the church obtained planning for land they already owned and then sold off the land to a developer for an uplift in value. This was a great way to get to get some extra funding for their project but also removed a lot of the risk, as they owned the land already and only needed to fund the planning application.

If you are looking at buying land before securing planning, there is much more risk attached to this, **if** your planning is refused. The rewards for success are big … but so are the risks. Something to consider.

"We spent approximately £8,000 in total with design fees and searches for the planning application. I believe the church sold the site to a developer for approximately £350,000."

> "The church ultimately wanted to do a project on their own building to upgrade the facility as a community asset and as a community building."

Case study:
Cambridge

"In this example, SPACE+ worked with a local developer who bought a site near Cambridge for approximately £100,000; the site already came with outline planning permission for a bungalow. This was for a two-bed bungalow and they asked if we could look at any further uplift. We realised that the site could accommodate a larger dwelling.

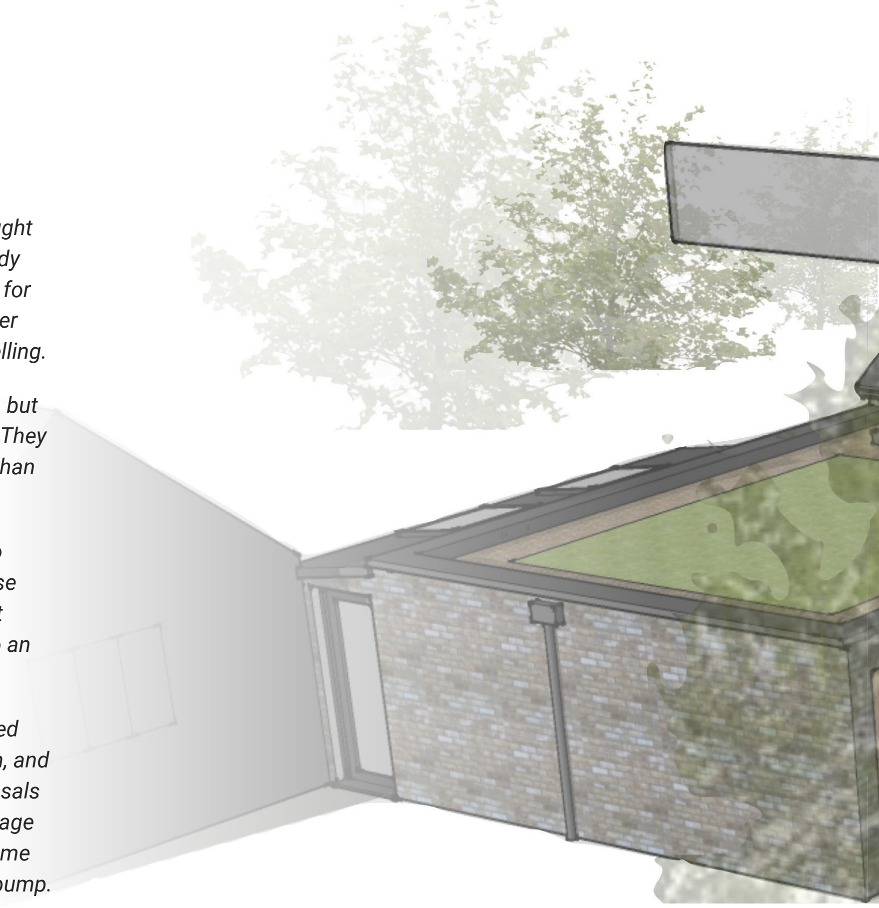
"Ultimately the developer wanted to develop the house to sell on, but one of the fallback options was to achieve some planning uplift. They could then sell it at that point with the higher uplift value, rather than develop it themselves.

"We chose in this example to do a planning pre-application, to go back to the council and check, if we increase the size of the house and address the height restrictions in the area, then we could get an additional two extra bedrooms out of the plot. There was also an opportunity to get a detached garage on part of the land.

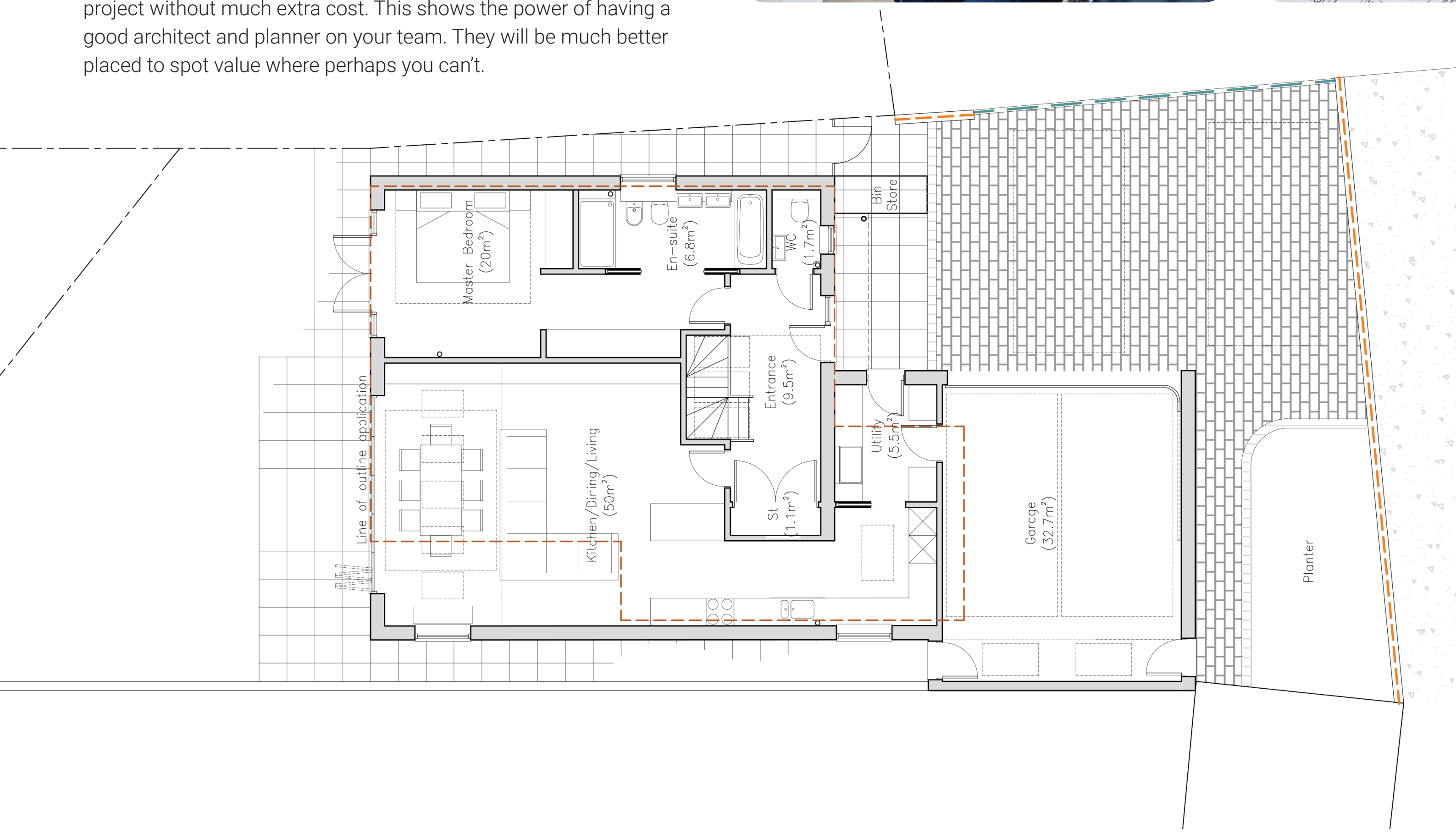
"There was some negotiation with a neighbour and a bit of unused land that the council owned and nobody was doing anything with, and we included that as part of the proposals. We showed two proposals and [the planning department] preferred the one that had the garage with a lower roof, that we had proposed with a green roof and some sustainable elements including solar PV and an air source heat pump.

"We also designed the house to lifetime home standard that could be easily converted in the future for an accessible user.

"We received permission for a four-bed detached house with good quality external materials. The developer obtained an informal market value, which indicated an approximate uplift value of £60,000. The developer decided at that point to develop it themselves and the project is due for completion at the end of 2021."



So, this example is on a much smaller scale but interesting in what can be achieved at every level. Just by tweaking the plans in a few different ways, SPACE+ was able to add significant value to the project without much extra cost. This shows the power of having a good architect and planner on your team. They will be much better placed to spot value where perhaps you can't.



Breaking new ground

The last example is a new development on an empty site. A lot of challenges with this one, but the team have achieved great things once again.

"SPACE+ worked with the owner of an agricultural site on the edge of a Green Belt. We achieved full planning permission for two new detached dwellings. The application was slightly controversial and there was a lot of local opposition against the scheme. However, the local plan of that particular council identified a housing need, and the council couldn't demonstrate that they had provided that required housing within the local plan as they stipulated.

"We were able to get two houses through on that empty site. The application went to committee and was voted for in [our] favour. And subsequently we've done more applications for other landowners in that area because we were able to establish that case.

"So sometimes it takes one project to build a bit of a platform to establish something in an area that shows you can responsibly create new housing. And this was quite a high standard build and higher eco credentials as well, which the council like to promote."

So SPACE+ was able to set a new precedent in this area by working with the council and crucially, identifying the need for housing that was already there and making sure this project fit that need perfectly. It made it very hard, if not impossible, to refuse the project without the council contradicting themselves. Consequently, it's opened new opportunity for everyone in that area.

SPACE+

Conclusion

Going through the planning process is certainly a lengthy and challenging procedure. I would always recommend speaking to a good planning consultant and architect about your project before tackling the planning process yourself. Who knows what hidden value may lie within your scheme that you may have missed?

If you are new to planning, I hope to have given you a little more understanding about what is involved and how that can add value to your projects. Perhaps I have showed you new strategies to look into. Certainly, PD rights are the hot topic at the moment and there is plenty of material out there you can find, if this part of planning interests you. I would certainly look into it.

Don't forget the planning process can be costly in time and money, so make sure you have a healthy budget for both. Thanks to Dirk for his generous time. I certainly took away a few of those golden nuggets myself, which goes to show there is always more to learn!

Dirk Visagie is Director at Archangel Architects

Adri Visagie is Director at SPACE+ Architectural Design & Development

arch angel

Get in touch

Email: **dlv@archangelic.com**
Website: **www.archangelarchitects.co.uk**

Listen to the full conversation with Dirk here.
https://bit.ly/3BZT9wM

Harry's story:

Building a R2SA business in just 5 months …

… and he's still only 19!

Interview and words: **Julie Whitmore**

Having grown up with a dad who had property, at the age of 19 Harry Williams was motivated by the idea of passive income and wanted to get into property himself. He started watching YouTube videos to develop his property knowledge. During lockdown he got a job because he couldn't attend college, and that helped him to fund property and mentorship training courses.

In this article, he shares how he found his business partner through the first training course he attended and went on to start and grow a serviced accommodation business and management company. Within just five months, he has achieved a portfolio of 19 properties. Let's find out how he did it …

YPN: Tell us about yourself, your background and what started your interest in property.

Harry: I'm 19 and have lived in Swansea all my life. I finished college in May, where I was studying a Business BTEC whilst trying to start a property business. As my dad had been a landlord, I was interested in the idea of passive income and had started to watch a lot of YouTube property videos and on-line courses to help develop my knowledge.

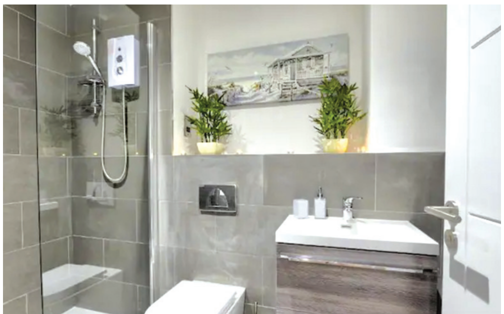
Having grown up around property, I wanted to be my own boss, to have flexibility and choice about when I worked. I've had part-time jobs since I was 16 and there were times when I had to give up a social event because I was working.

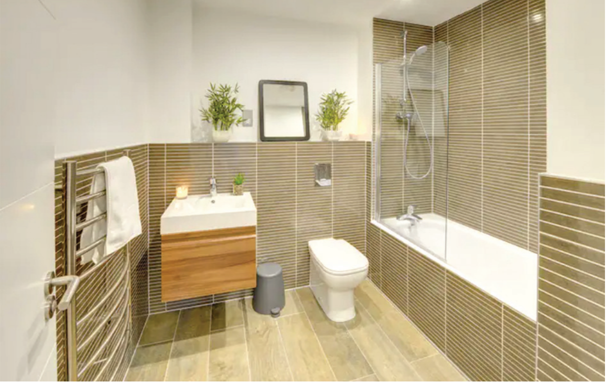
YPN: What steps did you take to get started on your journey?

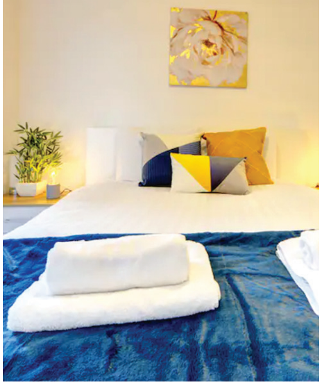
Harry: Initially, I was looking at rent-to-rent, because I didn't have the capital to buy, and my dad had been focused on HMOs.

When we were younger, my brother and I were involved with cleaning my dad's properties during the summer switchover for the new student intake. Seeing how the students left the properties and the work that was required to get them ready for September was one of the reasons we didn't start with R2R HMOs, but went for R2R on serviced accommodation properties instead.

When we went into lockdown, no-one was sure what was going to happen or for how long. I had always wanted to attend some property courses and find a mentor, but I just didn't have the funds. So two days after lockdown started, I got a job at Amazon for 40 hours a week, packing parcels. That meant I was able to sign up to a property network/mentoring programme I had identified through my online research of courses.







Properties	3 R2R SA units in Coventry and West Midlands 16 Managed SA units in Birmingham, Coventry and Northampton
Property	3 & 4 bed houses, 1 & 2 bed apartments.
SA R2R acquisition costs	**£10,795**
SA R2R monthly payments	Total monthly costs **£3,745** Net monthly income **£2,264**
SA managed Properties	**£30,000** per month current turnover

I started with Jack Dawhra, founder of Property Entrepreneurs Network (PEN), to understand the basics of networking. I also did an overview of property and business to learn about the strategies available. From this I identified SA and signed up to the Ikonic Training Academy.

Jack had networking groups on WhatsApp, and he'd never not take a phone call. With Ikonic, Dave Goodfellow again never turned down a phone call, and he gave me a huge amount of help and value. For me, the know, like, trust model became one of the main things I learned. Although I had heard of Jack and Dave, the more I got to know them through having conversations, building rapport, seeing first-hand and shadowing, the more I liked them, which helped me to build trust.

I started with Jack in March 2020 and am still with him. Because of my age, I felt that I had to bring more value to my offering than other people as I was conscious that people would think that I couldn't offer much. Because of this I started a podcast called "I know nothing about property" with a co-host, Muzzie Nduna, who has now become my business partner. I met him through PEN and we bonded straight away. Muzzie is experienced in R2R and operates in the West Midlands area, so I wanted to joint venture with him.

One of the ways we wanted to market the podcast was to set a challenge to both identify a R2R in a week. I said, "Look, we'll do the challenge, I'll find a R2R, can we joint venture?" to which he agreed. It needed to be somewhere that we could both manage, hence why we started in Coventry and now cover the West Midlands.

I was also involved with the Property Coffee Meet and Clubhouse with Dave Goodfellow and two other partners and we spoke every morning. I told Dave about the challenge and the first thing he said was, "give me a ring, I will help you out". Unable to find a deal in the first week, I called Dave, who advised me about how to talk to letting agents and the value I could offer to landlords; four days later I closed my first R2R deal!

YPN: What was your approach to finding the deal given that you had set the challenge in a public environment through the podcast?

Harry: I adopted a couple approaches:

Agents. I made 156 calls in two days. Being competitive I didn't want to be beaten by Muzzie, so sat and made call after call.

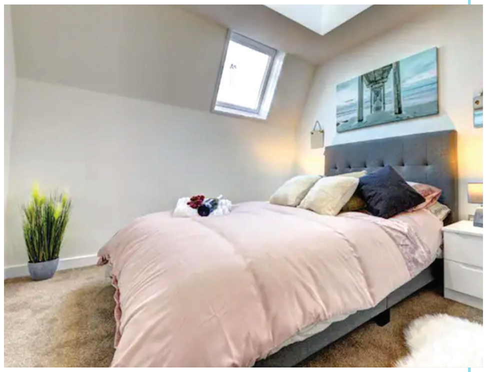
Direct to vendor (DTV) on Gumtree, OpenRent, and Facebook. From this I found and viewed seven prospective properties and eventually found one landlord who was prepared to take a chance. He gave us a property to manage, which subsequently led to him handing over further properties. We located him through Gumtree.

YPN: How did you identify the routes for your DTV marketing campaign?

Harry: This was from the YouTube videos and spending time with other people doing R2R. Initially I was more interested in ownership; however as soon as the paycheck comes through for the first R2R, you start thinking, "right, there's something in this." What I learned from the courses was 5% of what I needed to know to run a R2R business, with a key mentor like Dave guiding me on the other 95%.

YPN: The Ikonic Training Academy specifically focuses on SA Strategies. Did that help to fill some of the gaps for you?

Harry: Massively! The reason I joined Ikonic (www.ikonictraining.co.uk) was because I needed to be able to offer more value. Muzzie was going to be managing everything, while I found the deals. Dave had shared how he runs his business from his phone, and I was aware that Muzzie was doing a lot of running around, with minimal systems in place. Ikonic's training taught me about the systems required and implementation of these, and I have continued working with them.



YPN: Tell more about your first deal.

Harry: The property advertised from the Gumtree landlord was a four-bed. I explained our plans to the landlord, and also told him about my family's property background and experience. An old-school landlord, he was initially a bit stubborn about the idea of Airbnb guests. However, I was ringing him daily about the progress of the four-bed as he had promised it to someone else, and he began asking more and more questions about how things would work and became more open to the concept.

Following the initial conversations, he rang to ask if I would be interested in a two-bed property, to which I said yes. When we met to view this, he was still unsure. I explained it all again, showed him the systems we would be using to manage the property and made it clear that it would be cleaned more often. The last tenant in the property had left it in a mess and the frequency of the cleaning was important to him. We explained that the five-year contract would for him mean no void periods in the monthly payment. Eventually we negotiated and agreed a deal with no deposit.

YPN: How did you decide on the standard of furnishings you were going to provide – did you know the end look and feel you wanted to achieve?

Harry: One of the first things I did with Ikonic was design a customer avatar to work out what type of client stays in Coventry. We identified that the majority are contractors, therefore we didn't need to over-spec the property and run the risk of outpricing ourselves for the contractor market.

> "Contractors typically stay during the week, and we get leisure guests on the weekend"

The occupancy since that property came to the market in March has been 70-75%, with last two months being 100% because of a long-term booking from Hong Kong.

YPN: What targets did you set yourself in the new business, 'Inara Stays', with Muzzie?

Harry: Our goal was to achieve 12 R2Rs by the end of this year (2021). In April we secured a new R2R deal and wanted to achieve one more. It was around the 25th of the month and I decided to ring the landlord who gave us the two-bed property to ask if he had anything else. It transpired he had a large portfolio and said he had something coming up if we were interested. It's been like that ever since! One of the properties he gave us was a one-bed apartment in a great location with parking, but unfortunately we weren't able to achieve the required revenue on that. We also went on to acquire the original four-bed as this became unexpectedly available.

When we originally discussed the one-bed apartment, we were honest and said we weren't sure if it was going to work. We easily achieved weekend bookings, but nothing during the week; typically, contractors travel as a group of four.

I believe that a seasoned landlord will have more respect for you if you are straight with them about a property's viability. When the situation calls, we take the time to explain why something won't work, and that demonstrates our knowledge and experience.

Our focus is on three-bed properties for contractors, enabling a mixture of configurations to accommodate up to six individuals; and on one- and two-bed luxury apartments that will appeal to overseas visitors.

When we reached property number three, we realised that setting up the property requires funds, on which we were running low. Therefore, we started to look at managing SA properties for landlords, extending the area to include Birmingham and Northampton. As a result, currently we have three of our own SAs and 16 managed properties.

Managing properties takes away the operational challenges for the landlord and we look to add value through marketing. Hopefully by the August Bank Holiday we will have achieved a total of 20 properties. We realised that managing properties is the best way to scale and take on more staff, enabling us to focus on securing more R2Rs of our own.

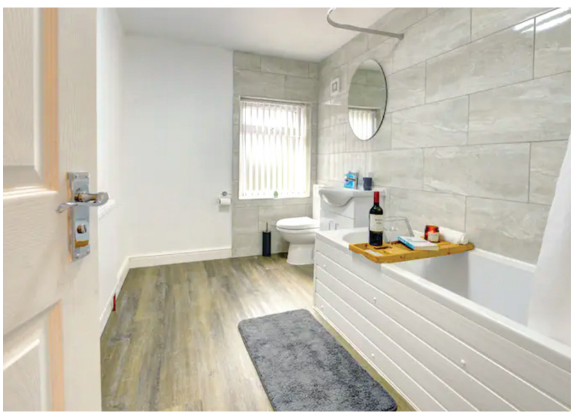
YPN: Tell us more about the systems and processes that you put in place to help you with the business.

Harry: Everything can be done from my phone and we can manage the business from home. The Ikonic course teaches how to build systems to run your business from anywhere. We have two overseas virtual assistants to handle our customer service elements, and an operations manager. Originally Muzzie and I were doing everything.

YPN: What routes and platforms are you using currently for bookings?

Harry: We use Airbnb and Booking.com. They bring in some good bookings; currently we are getting a lot of bookings from Hong Kong. We also do some local direct marketing and look at local projects coming up in our areas which would attract contractors – we try to contact site managers and offer them a commission for booking referrals.

A useful source of information is taxi drivers as they see what is happening in the area. We are looking how we can add value to our guests and are in discussion with a few burger vans about an agreement for them to offer guest vouchers to us and discounts on properties to their other customers. Typically, burger van food is the sort of food that appeals to the contractor guests. This can be a double whammy; the guest receives a voucher, and the van owners tell more customers about our accommodation for which they receive booking commission.



YPN: As you have grown so quickly in five months, how have you changed and improved on your systems and processes for areas like cleaning?

Harry: When we started, we were doing the cleaning ourselves, but now we have a cleaning team. Our VAs communicate with the team daily. If there are any issues, the VAs have processes of what to do based on 50 different cleaning-related scenarios experienced previously, each with a step-by-step set of instructions. We also have a property maintenance company that we have worked with from the beginning, who assist with issues such as access problems. The VAs contact the operations team regarding any reported issues. The worst thing at the beginning of our journey was having to deal with everything. It wasn't all sun and glory; it was really hard work and we had to make sacrifices.

Friday and Saturday are normally the busiest because of leisure guests checking in. Initially we had to be available in case there were any issues and sometimes we just sat around in case the phone rang about a problem!

SA is not like a full-time job. You can't work Monday to Friday, 09.00-18.00, and then at 18.00 on a Friday switch your phone off for the weekend. You've always got someone in your property, you always have the possibility that something can go wrong. We work on an 80/20 rule, eg. if there are twenty check-ins, four things are probably going to happen that require assistance.

We have a continuous improvement meeting every Monday, where we cover a list of everything that's happened that week. We then spend the week putting a process in place for new scenarios to ensure it can be managed via VAs.

YPN: What's the short to medium term future for you after such amazing achievements in a short time?

Harry: It's going to change dramatically, because I'm going to Cardiff University in September to study business marketing, primarily for the experience of university life as well as the education.

It's been a rush to complete all the automation and systemisation before I start. We're looking to purchase a cleaning company to bring the cleaning in-house. We also want to take on another staff member to provide 24x7 coverage once we have acquired another five units. Next year we want to start looking at acquisitions including some small blocks of flats to run for SA.

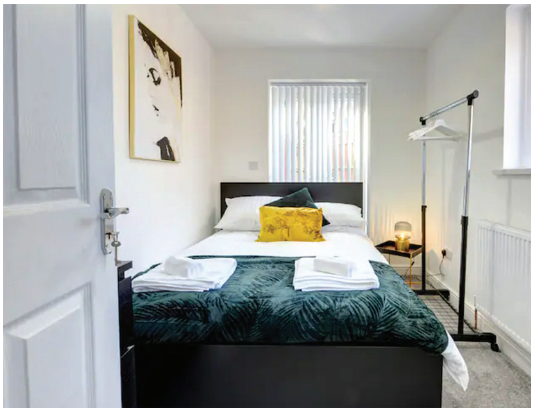
YPN: What are your non-property interests and hobbies?

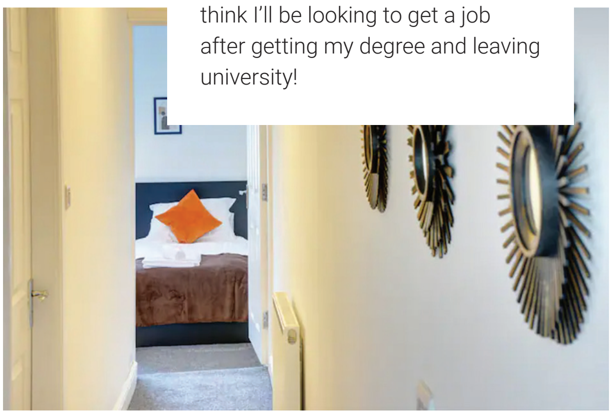
Harry: I resell kayaks on Amazon. I purchase them from stores and sell them for a profit when they sell out. I got into trading on Amazon because my twin brother does it. I also enjoy going to the gym. My goal next year is to be able to spend six months of the year in Thailand doing Muay Thai boxing.

My twin brother has some interest in property, however wants it to be completely passive. His plan is to build cash through his Amazon business and for me to assist him with property purchases and management.

YPN: What's your plan after obtaining your degree and finishing university?

Harry Williams: I plan to focus on my property business. We've achieved our current growth because I've been focused. I'm hoping that after I've finished university, I'll be able to spend all my time on the business to leverage and grow as much as possible. That's my goal and I don't think I'll be looking to get a job after getting my degree and leaving university!





Get in touch

Email	**Harry@inarastays.co.uk**
Phone	**07733393825**
Instagram	**@harrywilliams0911**

Listen to the full conversation with Harry here.

https://bit.ly/3BZT9wM

Property Core Skills

Managing Projects, Properties & Portfolios

By **Richard Brown** aka The Property Voice

We continue this series of articles on Property Core Skills; this month it's all about builders, tenants and toilets! Here's a reminder of the property core skills:

1. Finding deals – sourcing
2. Finding funds – investment capital, debt & equity
3. **Managing projects, properties & portfolios – builders, tenants & toilets**
4. Managing projects – the 'doing' part
5. Managing & understanding people – ourselves, tenants, funders, investors, suppliers, trades, professionals, clients, etc
6. Managing our cashflow & budgets – our 'opex' or working capital
7. Research & analysis – or 'due diligence'
8. Deal/investment criteria & analysis – what does a good deal/portfolio look like, how to pick between different options?
9. Systems & processes – the apps, hacks & time-savers
10. Marketing & promotion – attracting an audience that can help to sustain us

Managing Projects, Properties & Portfolios

Let's look at the main considerations across these three different elements of property management.

1. MANAGING PROPERTIES

Location

Weigh up the investment fundamentals (supply and demand, population, employment, transport, amenities, schools, and inward investment). Determine whether to invest near where you live, work or have some existing connections or more remotely where the area is appealing from an investment point of view. Consider ease of management versus investment performance. Finally, decide if your priority is income or capital growth … there's usually a compromise!

Running the numbers

Always provide for voids, repairs/ maintenance and ongoing updates in your calculations. Consider the most appropriate financing strategy, (total cost of financing, equity, leverage and debt, fixed versus variable interest rates, etc). Set your key performance indicators or KPIs, some common ones are net annual cashflow, profit and return on investment. Have written investment criteria that describes the type of property investment you want so you can filter and narrow down the options … and stay focused.

Occupancy options

The main options are single-let, multi-let and short stay. If you want a degree of protection, look at opportunities to repurpose the property now or later.

Stakeholder qualification

Undertake research, due diligence and check ups – have your own eyes and ears and use 'trusted advisers'. Check reputations, references, trade/professional memberships and do physical inspections. The key phrase here is 'trust but verify'.

Tenanting

Remember that tenants are our customers and our properties are their homes. Do referencing and vetting checks, inspections and stay current with rules and regulations. Letting options include self-management, letting agent or 'in-house management'.

Property management

Undertake repairs promptly keeping people's homes in a safe, decent habitable condition. Plan for updates and replacements over time and have good insurance. Mantra: provide decent homes for decent people to live in.

Operate as a business

Keep on top of the paperwork and compliance (HMRC, ICO, gas/electrical tests, etc). Use systems and technology to record, measure, track and notify. Review the investment performance at least annually. Be professional.

TPV tip: when it comes to owning investment property, keep in mind it's a long-term game. Things can and inevitably will change over time, so look ahead for five, 10 or even 15 years or more … would you still be happy to own this property after that period of time? Equally, don't fall into the trap of believing there won't be additional costs along this time horizon. There will be voids, replacements, updates and shifts in the local and national market over time that will impact both prices and rents, so plan or prepare for these from the start.

2. MANAGING PROJECTS

Location

Again, weigh up the investment fundamentals. Developing needs more site attention, so carefully consider proximity to where you are based **OR** have a trustworthy team that are nearby. Trade off project affordability with project control and the average time to sell/rent, which impacts your financing and holding costs.

Running the numbers

Ensure that you provide for all costs along with a healthy contingency based on project risks and your own experience level (10% to 30% is typical). Model for both time and budget overruns to arrive at the best/mid/worst-case scenarios … can you live with the worst? Have a clear project/development financing strategy that matches the right type of finance for the project, utilising 'other people's money' and your personal funds. Set clear key performance indicators such as project profit, return on investment, etc. Have clear written development criteria.

Risk & return factors

The main risks to consider are development risk, planning risk and market timing risk, so price in the cost of risk or 'risk premium' in your return and budget expectations.

Exit options

The main exits are sell, rent, refinance and rent, or mix and match.

Stakeholder qualification

Once again, do your research, due diligence and check ups. Have your own eyes and ears and use 'trusted advisers' to independently verify what is actual happening versus what you are told is happening. Check reputation, references, trade/professional memberships and do regular physical inspections. Trust but verify.

Target occupant

Understand who your target occupants are and what they want, then design and scope around that. Consider alternative marketing options like selling off-plan, show homes, visual plans or CGIs, brochures, site hoardings, social media marketing, development website, etc.

Project management & track record

Experience is essential **BUT** it can also be brought in. Make sure that you understand the experience and track record of your team, including the builder/main contractor, professionals, trades, project oversight/management and regular inspections. Know your own limits; match your growth to your experience level but you can use 'borrowed experience' by bringing other people into your project as partners, advisers or service providers too.

Operate as a business

As per Managing Properties above. In addition, there is often a lot more 'red tape' involved with developments, where you need to plan, engage and gain approvals from a wider range of third-parties well in advance. Consider using formal project management tools to assist in this respect.

TPV tip: The best advice I can give you here is to understand and appreciate that development is VERY different to investment. Whilst there are a number of common characteristics, it is a totally different world where we need to deal more and more with the building trade and associated construction professionals. Learn about this to ensure you have the right experience and support to keep you safe in this sometimes challenging environment.

3. MANAGING PORTFOLIOS

Running the numbers

Consolidate your properties into a portfolio view and use a tracker or dashboard type of approach to have both a top-level portfolio and individual property perspective. Have portfolio KPIs, such as cashflow and profit, return on investment, debt/equity ratio, etc. Then have a review system and criteria to measure performance. The red, amber, green or 'RAG' system is an easy way to identify properties and areas that need closer attention.

Serving its purpose

Is your portfolio serving you? For example, if you require income replacement, then there's not much use in having lots of equity tied up in the portfolio if the net income is low. If that's the case, then perhaps the portfolio needs to be rebalanced in some way. When you undertake a portfolio review each year consider the 3Rs: repurpose, release, redeploy. Is it still working or does something need to change?

Property management

Across the portfolio repairs, replacements, updates and refurbishment will inevitably arise. Try to plan these unpredictable and bigger ticket items in advance. Equally, stagger major updates and have an advanced understanding of when funds will be required. Have a portfolio contingency that considers things like interest rate rises, property price/rent changes and the unexpected or contingencies.

Operate as a business

Weigh up ownership options in terms of individual names, through a company, trusts, etc. Think ahead to consider how this ownership is impacted by your goals, portfolio growth, taxation and your exit or legacy plans.

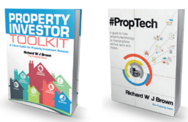
TPV tip: Our portfolio is like a living, breathing organism. It will grow, wear, need care and may at some point fade away if we don't take good care of it. Expect change and then be ready for that change. Equally, be flexible, adaptable and try to stay ahead of any emerging trends that could impact our portfolio. Ideally, be diversified and have contingencies in place to avoid being caught out by those so-called 'black swan events', which are inevitable, if not easy to exactly predict.

Strategic financing

Assess the portfolio debt level/LTV and finance options and assess as a whole for a 'portfolio risk weighting'. Speaking of risk … have a risk management approach that considers contingency funding, diversification, asset protection, interest rates, market cycles, etc. Learn the long-term cycles and expect the unexpected!

That's it for this month, I hope you enjoyed the third of the Property Core Skills on managing properties, projects and portfolios. If so, remember that these articles compliment the latest series on The Property Voice Podcast.

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



Not enough CASH to do the property deals you want to do?

If you're fed up with lack of cash restricting your property investment and want to escape from BTL mortgages, book into an Online Recycle Your Cash Masterclass event today!

BOOK IN NOW

WWW.RYCMASTERCLASS.CO.UK

Join Kevin Wright at an Upcoming Recycle Your Cash Live-Streamed Property Finance Masterclass Event and Learn...

Learn how to get your mind-set focused on success.

Discover what Ninja property investors know that fast-track their investments.

Get detailed answers to your property finance questions.

Kevin Wright

Your Host and Expert Trainer

Kevin Wright has been described as 'outrageously positive' – partly because of his positive approach to property finance, but in 2016 he applied his positive strategies and took just two months to beat cancer.

His passion for property led him to specialise in brokering finance for property investors and it is this 20 + years brokering background that makes his fully-fledged, well established training business, unique in that it is designed to educate investors to play that bigger game in property - but with their current resources.

Recycle Your Cash

For more information and to book your place, visit:

WWW.RYCMASTERCLASS.CO.UK

Why working with agents and landlords can be so easy and successful …

By **Katrina Jones**

Why do landlords work with you as a rent-to-rent operator?

There are many reasons why a landlord will be excited to work with you. I've listed some of them here to support you in your understanding of how sought after and appreciated your services will be as a rent-to-rent operator.

Landlords can be in all sorts of predicaments, and they simply want their properties to be looked after, without having to worry about rental income, maintenance, or tenants. When a landlord receives your letter or phone call – they're going to be excited about what you have to offer. The service you are going to be providing is incredible – and most landlords can see that.

I often get asked: *"Why would a landlord use a rent-to-rent company and not just do it themselves?"* This is the same as asking why high street letting agents exist. Because not all landlords want to manage and tenant their own property. Plus, you do 10 times more than a high street agent, so it's usually a no-brainer.

If the landlord's property is being looked after, they're happy!

We often receive calls from landlords, who on receipt of our HMO letter, call to say that our offer sounded better than their current letting agent's offer and they would like to work with us instead. It is important to remember that this is a simple strategy, and landlords love it. There doesn't have to be a big issue or problem for landlords to work with you. They'll often just choose you over a high street agent.

The landlord has missed the student cycle

When a landlord or agent misses the student cycle and their property is empty, they're usually going to have to wait until the next academic year for the next intake of students to choose their homes for the year, and during this period, they'll lose a substantial amount of income.

If this is the case, and if the property is with an agent, the agent doesn't always look great if they can't let the landlord's property – so they'll be grateful for any help they can get to protect their reputation and keep the landlord as their client. In this case, you can work as a middleman between the agent and the landlord. Sometimes, the agent will hand you the property and take themselves out of the loop too, which is always great. We'll cover how to work with an agent in the next section.

Finally, in this situation, if the landlord lets to a family instead of students, there will be a large decrease in rental income, so this isn't a favourable option. If they're in an Article 4 area, letting to a family will means they'll lose their HMO licence too, so you save the day either way.

The landlord is sometimes unhappy with their current letting agent

There are always landlords out there who are unhappy with their current letting agents. At Kendall Bailey, we have experienced an agent with such a high volume of student houses that a few were slipping through the net. When I contacted the landlord of one of the properties that had been neglected, she was extremely excited about what we had to offer her, and took us up on our offer straight away.

Accidental landlords

Every now and then, you'll come across landlords who never planned to own a property. We have a landlady whose father passed away and she had inherited a handful of HMOs that were too much for her to deal with. She was in a sticky situation when we met her and could hardly believe the offer we were making her. She signed with us there and then. There are plenty of individuals out there who did not plan to become landlords and they're your ideal clients. Your service is a godsend to them.

The landlord is tired

One of our favourite landlords lives an hour out of York. He and his wife had always enjoyed looking after their property, and as a teacher, she would go to York in the holidays to deal with all the touch-ups and deep clean the house. The problem was if a tenant locked themselves out, it was a two-hour round trip. They loved their property and wanted someone who would look after it in the way that they did. When the refurbishment was complete and the house was fully let, they bought Kendall Bailey two bottles of champagne with a hand-written thank you note.

Landlords will be so grateful for your service, and you'll make a real difference to people's lives.

Working with a high street letting agent

High street letting agencies will either work with a landlord on a Tenant Find Fee Agreement or a Management Agreement. Below we have explained what each of these options are and how to work with the agent, depending on the agreement they have in place.

A Tenant Find Fee Agreement

This is where the agent is paid to find tenants for the landlord. When working with this type of agent, you will fill the property with your tenants. The agent still receives their Tenant Find Fee, and the landlord's goal of tenanting their property is achieved. An absolute win-win.

How do I work with an agency on a Tenant Find Fee contract with the landlord?

The agent's job is to fill the property for the landlord, and that is how they get paid. When the agent lets the property to you, the property is then full, and the agent receives their fee. It makes no difference to them where the tenant came from. Letting the property is letting the property and the agent is going to get paid. The best news for the agent is you can let properties from them repeatedly. This makes you their dream partner to work with.

A Management Agreement

This is where the agent is paid to fill and fully manage the property for a landlord. When working with this type of agent, you once again find the tenants. The agency then continues to receive their Management Fee, and the great news for you is that they still do all the management. Another win-win situation for all involved.

Why will other letting agents work with you?

There are only two different types of services that most letting agents will provide to their landlords and rent-to-rent fits in perfectly with both.

How do I work with an agency on a Management Fee contract with the landlord?

As above, nothing changes. From the landlord and agent's perspective, you have filled the property and the agency still manages the property (huge bonus for you as you just do the refurbishment and tenanting and the agency does the rest) and you then pay the agency the rent, they take their Management Fee, and the landlord received their rent. It's as simple as that.

Agents have missed the student cycle

If an agent has too much on their plate or has 'run down' stock on their books, there's a high chance they have properties that won't let in time for the new academic year. When you step in, it keeps their relationship with the landlord intact – and they still receive their Tenant Find or Management Fee.

Why do letting agents love working with rent-to-rent operators?

You are not the agent's competition … you're their dream come true!

If you explain the benefits of working with you to an agent, and they understand what you do – you won't find working with agents difficult. You'll find that not all agents will want to work with you, but when you find one that does, you can build a fabulous long-term relationship. The average number of agents that will work with you should be around 1 in 10.

Agents can't let the landlord's property

Our first ever rent-to-rent property came from an agent. I called to ask if they had any properties they were struggling to rent, and he said yes. He was so fed up with this particular property, he asked me to just take it off his hands completely and let me deal directly with the landlord. This is one of our highest cash flowing rent-to-rent deals to date.

You're like a tenant in the agent's eyes …

… except you guarantee the rent (normal tenants can't) and you can take on more than one property (normal tenants don't) – so you are in fact … much better than a standard tenant.

The agent will still receive either their Tenant Find Fee or Management Fee, they will keep their relationship with the landlord, and you become the perfect easy option when an agent has a house that needs to be let and that matches your criteria. It is as easy as that!

For further tips, information, knowledge, inspiration and support with getting started on your journey into property using the rent-to-rent strategy, please head to **https://katrinajones.uk/ypn** to join the **free** eight-week Success Series, which will enable you to gain a much deeper understanding of the rent-to-rent strategy.

Contact

If you would like to understand more about the rent-to-rent strategy, and how you could create a property business that generates you £3,000 - £5,000 per month, whilst only needing to work a few hours a day once set up, please feel free to join our rent-to-rent success series, which has been created specifically to support, inspire and guide you on your journey into property investing and cashflow!

See **kendall-bailey.co.uk**.

Wishing you all the luck on your journey.

All my love, Kat x

Houses into Flats
One income or two?

By **Arsh Ellahi**

Hi Arsh

I am looking at turning a house into two flats. What should I be looking out for?

Thanks.

Mr J – Islington

What a great question! I have a lot of experience in doing this. Over the last 20 years I have converted many single let houses into flats and there are certainly many things you need to take into consideration.

Providing it is done correctly, it is a very good, low risk strategy, which has many benefits and allows you to pull the majority – if not all – of your capital, thus recycling your funds for more projects.

HMO vs self-contained flats

It is no secret that you will be able to create an HMO more easily than converting to flats. In theory, you can create an HMO by changing some doors and installing smoke detectors (well, that's how easy they make it look on Homes Under The Hammer!). However, this is all subject to whether or not you are in an Article 4 location. As good as HMOs are, there is no denying that they are time intensive and can also be a management nightmare.

As an owner of many HMOs, I changed my strategy ten years ago to convert several of them into self-contained units, to have an easier life together with a more sustainable income and longer tenancy life span.

HMOs have a lot of benefits, such as:

- **They consist of multiple units – more than you would get from creating self-contained flats in a single building.**
- **The potential to get a commercial valuation based on income; however, this has been a battle over the last few years as banks want the investor to retain some of their own capital in the property – this is also known as 'Hurt Money'.**

However, on the other hand, self-contained flats could:

- **Have longer and more sustainable tenancies, as the tenants have their own space and are not worrying about sharing kitchens / bathrooms.**
- **Be sold off individually or refinanced against each title (if title split).**
- **Prove much easier to refinance, and engender very little argument to get a commercial valuation on the whole building.**
- **Turn out to be much more attractive as an investment, especially to international investors.**

> "If you are considering converting a house into self-contained units, here are some of the things I suggest you consider."

Floor space / layout / design

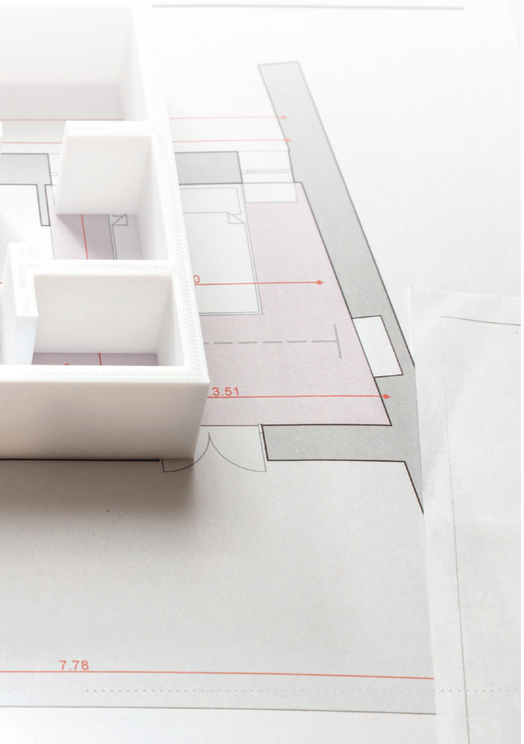
As simple as it sounds, you need to make sure that you have sufficient space and a good layout to ensure you can create the right product. A lot of planning applications fall short and get declined simply because the applicant has not taken sufficient time to think about the layout and the design. I generally look for:

Windows / natural light. This is especially important when you are considering mid-terraced properties, as light can only be generated from the front or rear. This would mean that habitable rooms such as living rooms and bedrooms can only be positioned where there is natural light. If this is not carefully considered from the outset, it may have an impact on the number of units you can achieve.

Staircase / communal space. The layout of the property can also be affected by the direction and the position of the stairway in the property. If the staircase sits in the middle of the property, that could also ruin the layout of any potential development. However, it may not be the end. Staircases can be moved, although that can be quite an expensive process.

Communal hallways. These will be important and also affect the flow / layout of how the flats are entered. I have seen many developments where hallways have not been taken into account, and as a result, the property has felt like a rabbit run. That is not ideal, agreeable or attractive, especially if you are looking to sell the flats after they are built / developed. Consider, when walking through, how easy it would be to get to each section of the building. Also consider the tightness of angles, and whether furniture can be moved easily in between. I once went to a building where the angles were too tight and furniture could only be purchased as flat pack, to fit around the corners. In addition, as a result of the tight hallways, the corridors and hallways looked very worn very quickly.

As you can see from the above, it all seems very simple and one would assume it's 'Common Sense'. Yet it is amazing how many property investors / developers do not think about how an end user would use and move around the building. Ultimately, this will have an effect on how quickly the units sell or, if letting, how long the tenant stays in the property.



Planning requirements

In order to successfully submit and achieve planning permission, the planning department will want you to satisfy certain requirements. These include:

Parking provisions. Self-contained flats would generally need one or two spaces per unit created. A lot of local authorities use this as grounds to reject an application. However, it can be challenged with the argument that inhabitants can use local public transport. To achieve this, however, you would need to demonstrate how close the building is to public transport and how easy it is to use. Evidence for the case could include bus routes and frequency, train lines and location of station, and distances to all local amenities.

The local environment. Will your development start to overcrowd the area? What effect will it have on the local residents? This requirement also encompasses the impact of the amount of waste that is produced, and whether there are sufficient facilities for disposal – which includes the number and types of bins provided. I have a 23-bed HMO which has to deal with 23 lots of waste. The brown / grey bins (as used in this area) would not be suitable because 23 bins would take up an awful lot of space. Storing them and getting them emptied would also be a logistical nightmare. To counter this issue, I decided to install four large steel / commercial waste bins, which has worked very well for the past 15 years.

Design. The local authority will pay particular attention to the design and also the materials which are being proposed. The key to a successful planning application is to keep within the design of the existing street scene. This can also be achieved by using the same materials as other buildings on the street.

Summary

So there we have it. Hopefully, I have given you enough information so that you can start thinking about what you should and should not be doing.

To conclude, conversions to blocks of apartments can be a little tricky to set up, but the benefits certainly outweigh any short-term pain you may encounter along the way.

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

Contact

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

Mailing List	www.propertyinvestorapp.co.uk
Facebook Profile	www.facebook.com/arsh.ellahi.1
Facebook Page	www.facebook.com/ArshEllahi123
Instagram	www.instagram.com/arshellahi
YouTube	www.youtube.com/c/ArshEllahi
Linkedin	www.linkedin.com/in/arshellahi
Twitter	twitter.com/arshellahi

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

Refurb Basics Part 1
Appraising the project

By **Martin Rapley**

Are you looking to get into development or refurbishment, but don't know how or where to start? In this new series, YPN's refurb and development expert Martin Rapley will walk us through exactly what you need to know before and during a project. In the first article, he explains the best way to initially appraise a project, and why this process is imperative to success.

Target market

Whether it's for a refurb or not, the most important thing for any investment property is to know who your target market will be. Ask yourself questions such as: Will you be working on social housing? Will your tenants be students? If you're going to do a flip, will you be selling to downsizers or first-time buyers?

The benefit of doing a refurbishment is that you can change what you're buying into something else, and that change could add value. But before appraising, you need to have your ideal buyer - your avatar - in mind. Who is the person that will buy or rent this property from you? Knowing the answer to this question will help you figure out what needs to be done to the property.

Also, to an extent, your chosen market will likely dictate the locality you'll be buying in. So it's best to know before you buy.

On the viewing

I know many investors say to take a builder around when viewing a property, but I would never recommend this. You're wasting their time, because the average builder's core skill is not seeing defects in properties. If you want to learn how to see defects, take a building surveyor with you. They'll easily tell you what needs doing.

When buying a property, you'll almost certainly engage with someone to do a report on the house. For future purchases, you'll be able to use that report as a checklist as it will give you an idea of the sort of things to look out for. Remember that peeling wallpaper is cosmetic; it's the structure you need to be looking at — the bricks, plaster, roof, ceilings, electrics and the condition of pipes.

Eventually, you'll get to a point where you don't need to get the reports done anymore, because you'll know exactly what to look for. Most defects in a property aren't hidden, apart from potential rotten timber or damp. Yes, pipes are hidden, but if there isn't water coming through the ceiling, they're probably doing their job.

Do the viewing as if you're a detective. Look deeper, beyond the paint and horrible carpet, and inspect the structure. When I'm viewing a property, I like to take notes and photographs. I then like to have a moment to work through my thoughts while it's fresh in my mind. I'll make further notes and might even start putting the budget together. Within an hour or so after the viewing, I'll have an idea of which direction I'd like to take the property in and whether it will stack up or not.

How to tell if a property needs a rewire

Taking photos on viewings is so important, and one of the most crucial pictures is of the consumer unit/fuse board/distribution board. Sometimes they're easy to find, and sometimes not. When you do find it, you want to make sure that it has trip switches. If it doesn't, then it has rewireable push-in fuses, and the property will therefore need a rewire.

If you're planning to sell it after the refurb, you could get away with it, but it would be flagged as a negative to any potential purchaser by their surveyor. If you're planning on letting it out after the refurb, I can't stress enough how important it would be to get it rewired.

To be honest, it's rare that the electrics don't need some kind of improvement, because regulations are continually evolving.

Creating a budget

What's the best way to go about creating a budget for a property? Well, how long is a piece of string?

I start with making notes of what I think needs doing to the property. The works can be split into two camps — the essentials, eg a new kitchen or fixing a fallen ceiling; and the nice to haves, such as new doors. Obviously, this will vary in each property, because for example, you don't have to replace every kitchen and bathroom if they're perfectly fine.

Work your budget around the essential maintenance first, then the nice to haves, and finally, what your avatar would expect in a property. If done correctly, it's like a glorified shopping list. The more detailed you can make it, the easier it is to start putting prices against those items.

Costs can be determined by speaking to other investors or by reading case studies in YPN. Use those details. Take them within their own context, and adjust them to your circumstances. It might vary depending on locality, type of house, time of year, and so on. Bear in mind that prices are creeping up at the moment.

Rather than breaking the works down room by room, it's easier to get an idea of the cost of refurbing the house by breaking it down according to job, eg, replacing the doors, plumbing, rewiring, etc. Be very careful, because you need to find a happy medium between knowing how much a job will take without going into detail on how many nuts and bolts you'll need.

Remember to work backwards from the end value, and to include your expected profit or re-finance figure. Unfortunately, a lot of property investors believe they've achieved a good deal by negotiating the price down by £20,000, when in fact they still overpaid for it. Private homeowners will always pay more than an investor, so you must be careful that you're not getting what looks like a good deal for a homeowner, when it needs to be a good deal for an investor.

I see a lot of property investors who get going with practically no budget, so they try and do things as cheaply as possible. In my opinion, if you want to get going as an investor, you're going to need to spend money. But, you need to spend it in the right place. For example, a training course might give you generic advice and theory, but a surveyor will be able to give you a report that's 100% bespoke to your property.

Contingencies

A contingency fund should be for the unknown, not a 'just-in-case' for when you've priced the works wrong. During a project, the unexpected will always come to light — who knows what might turn up behind the kitchen units? It's always wise to have some money set aside specifically for the unforeseen.

A good rule of thumb for a contingency fund is 10% of the total refurb works. If it's a smaller project, then it could be stretched to 15%, and if it's a bigger one, it could be brought down to 7-8%. Listed buildings are a bit more risky, so it might be worth having a bigger contingency. It depends on you, your risk profile, your budget and your project.

Older properties **vs** newer ones

On average, the older the property, the more likely there's a defect. Houses built in the 70s and 80s are now coming up to 50 years old, and as a result, they're going to need maintenance and repair. While they're less likely to have problems such as damp because they'll have cavity walls, they can still have rotten windows.

Again, it comes back to looking beyond the decor and focusing on the state of the structure. An older property that's been refurbished along the way will be in much better condition than a newer one that's been neglected. Follow the same process for any property.

We didn't build well in the 70s, so there are often some fundamental problems with some of these properties. Many were built with what we could call a non-standard construction, so although they might look modern, they could have their own challenges such as being concrete framed, asbestos clad or metal framed. In some cases, they might not even be mortgageable.

Period features

This comes back to who your avatar is and what they'll expect from the property. For example, if you're refurbishing a Victorian terrace to sell, then the buyer will probably expect period features. However, if it will be converted into an HMO, then period features will unlikely be the right kind of detail. That being said, I do keep some fireplaces in HMO rooms as a feature, but it's all about understanding what your market actually wants.

You also need to consider how much work you need to do. If the property is in a poor condition, then realistically you'll probably lose a lot of those period features. You'll then have to choose if it's worth spending the money to put them back in. Conversions such as HMOs will involve losing quite a lot, because of sound proofing, fire protection and modern fire doors.

On the other hand, if something serves a purpose and it doesn't need to be removed, then it doesn't have to. And don't feel every room has to match — if one room has bad damp and decay, but another doesn't, then you don't have to rip it out if it's not necessary.

Now that we have done the appraisal and figured out the budget, next month we'll be looking at heating and hot water systems, and what sustainable options are viable for investors. In the next ten years or so, there could be some changes looming, so we'll cover everything you'll need to consider.

Get in touch

Email: **martin@refurbishmentmasterclass.co.uk**

Website: **refurbishmentmastery.com**

Martin Rapley is our development expert on the Total Development programme.

THREE COUNTERINTUITIVE TRUTHS

By **Rupal Patel**

Happy October, dear YPN reader. Around this time of year, I find so many people panicking at how quickly the year has flown by. They obsess over all they have left to do, get stressed about how little time is left to knock out their goals, and the resulting ball of anxiety creates a negative feedback loop that impacts pretty much everything.

That's why I wanted to share some counter-intuitive truths with you this month, so that you don't panic. You don't obsess. And you question the stubborn popular **myths** that hide what really lies behind creating and sustaining success.

Counterintuitive Truth #1

Grow Slow to Grow Fast

Now, leaving aside grammatical issues, Truth #1 is one of the **HARDEST** truths to swallow. Back when we were getting started in property, I remember talking to a far more seasoned investor telling him we were going to do ten HMO deals that year. I was hoping he'd be impressed, give me a high-five, and slap me on the back for being such a go-getter.

You see, we wanted to go big (or go home! — as the Vegas-inclined amongst you may be finishing for me). My partner and I had big targets, big goals, big dreams, big everything. "Wow, ten deals in one year!" I could already hear my future admirers saying, "You're amaaaaaaazing."

But that's not what I got from this investor. What he said, instead, deflated me to the core.

"That's nice. But sometimes it's better to grow slow so you can grow fast."

Grow slow, to grow fast...

Grow slow to grow fast?...

Grow slow to...

No, no, no. And NO! What was this guy talking about? Was he crazy? Did he listen to our plans? Did he realise how committed we were? Did he know who he was talking to? Who the hell did he think he was, telling us to grow slow?

I'd show him!

[Spoiler alert: I didn't.]

Because guess how many deals we ended up doing in that first year? A grand total of 1.5 (which kept us plenty busy, by the way).

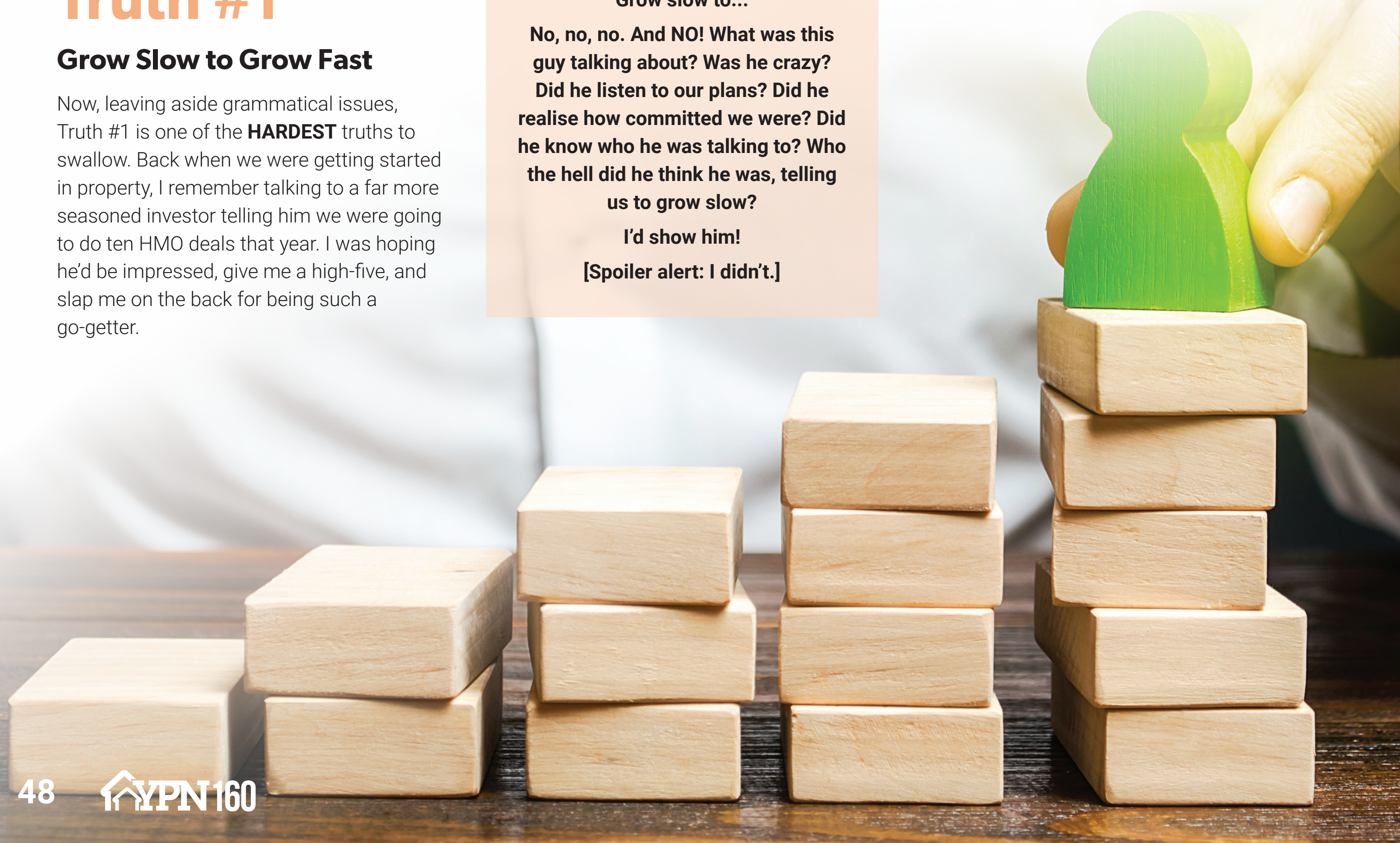
And it was only with hindsight at the end of that year that I appreciated the wisdom of his words (he's a fellow Patel, so maybe that's where he gets his smarts from!). And I find myself coming back to those words again and again and again because you can never hear — or read — good advice enough: grow slow, to grow fast.

I get it. I've clearly been there too. When we have an idea or are just getting started on something, it's sexy and exciting to make bold statements (make the world's information searchable, make Mars habitable, eliminate polio...). It inspires us to shoot beyond the stars. It attracts people to our vision. It may even get us written about in newspapers and magazines.

But what bold statements don't do is come true on their own.

And so many beginners can get so desperate to rush to the top that they forget about the grunt work required to create the foundation at the bottom. They sacrifice long-term growth for short-term success. They build wings of wax to fly to the sun.

But the bottom is where it all begins. The foundation is literally and figuratively what the business is built on, so should be the one thing we don't try to rush, don't try to skip over, and don't try to do too quickly. Or as my dad always says: "Don't try to build an inverse pyramid."



It's not easy. Many of us (or at least some of us) want to be able to brag — even if just to ourselves — about how much we have accomplished in a short period of time. Many of us (or at least some of us) want to impress our peers with how much we have achieved so soon after getting started. Many of us (or at least some of us) want to stretch ourselves far out of our comfort zones to build our businesses. But many of us (or at least some of us) can also become so desperate to get there quickly that we become hasty.

And the difference between speed and haste is all the difference in the world.

Can you do ten deals in one year? Of course. And I know many investors who did twice that number in less time. But you know what else? Many of those same investors then spent the next **FEW YEARS** cleaning up the mess, offloading bad investments, going bankrupt, or trying to keep life-threatening, stress-induced illnesses at bay.

That could have been us.

But instead, our first year was slow and foundational. And the solid foundation we laid that year then allowed us to scale and grow much faster over the next four years. THAT's what growing slow to grow fast means. Forgetting about our pride, the imaginary headlines, the smug dinner party conversations we could have been having, and just getting used to the tedium and time it takes to build a solid business.

And who really cares if it takes five months, five years, or five decades for us to get to where we want to go? As long as we are making progress, the timescale shouldn't matter. We have to remember that our deadlines and targets are so often **arbitrary**. We have to remember to be extra vigilant so that we don't get to the top arbitrarily, too.

And the thing we have to remember most of all is that standing on top of an inverse pyramid is not really a success. Not really a success at all.

> "Can you do ten deals in one year? Of course. And I know many investors who did twice that number in less time."

Counterintuitive Truth #2

Be the Dumbest Person in the Room

One of the biggest downfalls of becoming an entrepreneur that not enough people talk about is this: when you are bootstrapping a business, working from home, and building your vision from scratch, you have to make an effort to find the communities that you took for granted when you were working for someone else. You have to look for people who will support, push, and challenge you. You have to seek out relationships that will help you and your business grow.

But where are you supposed to find them? And how?

For a long time, I had no idea. I was mildly depressed for large parts of the first few years of our property business and I felt deeply isolated. (It didn't help that I was living in the 'burbs at the time, where the only things within walking distance were a large supermarket and a movie theatre... not exactly buzzy co-working spaces where I'd meet other hard-chargers!)

After almost two years (TWO YEARS!) of doing things on my own and being professionally lonely, I teamed up with two of my favourite and most successful friend-preneurs to do something as life-changing and morale-boosting as starting a WhatsApp group (it doesn't have to be complicated for it to work). And our little threesome was exactly what I needed to keep me and my business growing and improving. The advice we share with each other has saved me hundreds of thousands of pounds, and the support we give each other has saved me almost as many hours of frustration, confusion, and feeling stuck. (We are a small but mighty trio!)

But, my friends, not all WhatsApp groups or business groups or property groups are created equal. We have to choose wisely. We have to look for, or create, environments that will help us do and be **more** than we could do or be on our own. We have to go where the standards are **high**. Where we are often the dumbest person in the room.

If we are the average of the five people we spend the most time with — and science and research has proven this to be true again and again — then wouldn't it be great to be a part of a group where we are surrounded by high-performers who are committed to excellence, learning, improving, and sharing? Wouldn't it be great if we sought out communities where we were the "dumbest" person in the room so we could push ourselves harder than we knew we could push? Wouldn't it be exhilarating to be surrounded by people who get what we are trying to do and will help us do it better, faster, and more successfully than we could have on our own?

The communities, the people, the ideas that contribute to your average don't have to be physical. They can be made up of the authors you read, the podcasters you listen to, the thought leaders you follow, the online forums you join. In some ways, a total stranger in Australia has had as big and positive an impact on my headspace as anyone in my physical network.

But the in-person communities matter too. Of course they do. There is nothing as powerful as the energy created when people with focus, discipline, and commitment come together to learn, share, and grow. Together. And it's invaluable having an actual human to meet up with or go to events with or share local contacts with. In fact, it makes all the difference in the world.

And that's why I have invested so much of my time creating and curating a powerful business community, and that's why I actively seek out other strong business communities.

We are lucky to live in an era with endless on-line and off-line options. But with great access comes great overwhelm. There are so many groups out there, and the only way I have found the ones that fit me and where I am at in my businesses best is by word-of-mouth recommendations from people I trust and a bit of trial and error.

So if you're looking for a community, if you're looking for successful friend-preneurs-to-be, if you're looking for people and places to inspire and lift you, ask around. Do some Googling. Attend an event. Get out there and talk to people.

But above all, choose carefully. Go where the standards are high. Go where the expectations are massive. Go where you will rub elbows with people who don't make you feel desperate for a shower after you have rubbed elbows with them.

It's the law of averages, after all, and you always want your "five" bringing your average up.

Counterintuitive Truth #3

We Can Tell Who is Wealthy

One of the main misconceptions about wealth is that you can tell who is wealthy: the rich look rich and act rich and live where you think they would live (Kensington, Bel Air, Central Park West). But the reality couldn't be further from that perception.

A few years ago, I read The Millionaire Next Door (I highly recommend it if you've not read it yet), and when the authors surveyed thousands and thousands of American millionaires, they were just as stunned as I was to find out this: *actual* millionaires drive Fords, wear Timex or Seiko watches (I love Seikos!), and have a net wealth that they could live off of for more than 10 years without doing anything. **They prioritise financial freedom over conspicuous consumption and live well below their means.**

And you know what else? The people we think are wealthy because of what they wear or drive or earn are often as likely to be living paycheck to paycheck as their lower-earning counterparts. A big income means nothing for wealth if you spend what you earn, as so many people do.

So why am I sharing this?

Well, one of the reasons is that wealth is something that so many of us strive for. Some of us may even have started our businesses to become wealthy and financially independent. But sometimes it's easy to forget that we can build wealth **now**, from where we already are, if we are willing to do what the unseen majority of millionaires do: spend less than we earn, not increase our liabilities even when our assets increase, and create a wealth building plan that isn't over-reliant on any one asset class (she says to a group of property people!). We can all do all of this whether we are in the bootstrapping phase of our business or are already nine-figure unicorns-in-the making.

Another reason I share this counterintuitive truth is that I see and mentor so many people who keep spending like they used to (eating out, holidaying with friends, living as if nothing has changed) even when they are "bootstrapping" and then they run out of money before their business can support them, and have to scramble for a Plan B or go back to working for someone else. Too many entrepreneurs give up because they run out of money, not necessarily because they had a bad idea.

And finally, I am sharing this truth because I want to burst any bubbles about what we think needs to happen before we can be financially free. Because the bad habits we have when we are "poor" or "dependent" will follow us when we become wealthy and independent, so we need to start now, wherever we are, and start doing what millionaires do.

For me, over the years that has meant saying no to a LOT of social engagements or outings, prioritising quality over quantity in everything I buy, and tuning out the pressure to live an Instagram-able life of conspicuous consumption (it helps that I largely shun social media). Have I become a miser who lives off Weetabix, dresses in rags, and doesn't have any friends? Nope (or at least I don't think so!). I just make smarter choices as often as I can and have learned to invest more than I spend.

And the final, more uplifting, reason I am busting the myth on millionaires, is that if they don't look or act or live where we expect them to, then we don't have to either. We can all become millionaires from where we are, living in the same house, wearing the same mix of fast fashion and high fashion (or no fashion!), and cruising in our 2002 Honda Accord. YOU are what a wealthy person looks like. Already. As you are.

You don't have to change. But your habits do.

I'd love to hear from you about these Counterintuitive Truths and how you get on implementing them in your life and business. As always, if you have any questions or want to get in touch, you can reach me at **rupal@blueinfinityproperty.com.**

Raising your profile through social media

With **Rick Gannon**

Hi and welcome back to my article – I hope you had an amazing summer!

This month, I wanted to talk about a very popular topic at the moment: the power of social media and how it can help you in your property business. Throughout the article, I'll be speaking mostly about my favourite platform, Facebook, however the same principles can be used on other platforms.

Why did I choose Facebook? I suppose I'm just in that age demographic and it felt the most comfortable platform for me at the time.

Facebook has over a third of the world's population as active members, and I could write pages and pages about its potential impact on your business. In each technological and economic advancement of our world, there has always been an increase of connection and an improvement in communication in some form, and social media increases connection and communication.

As a whole, social media is still fairly young, and it's mainly targeted at consumers. Business owners are still trying to work out how best apply the use of social media for their own benefit. In my opinion, Facebook is not just a social media platform to follow what your friends and family are up to; it's a serious tool to generate business and contacts. You might even find joint venture partners or bag that amazing property deal.

However, Facebook is very clever at keeping you entertained and engaged on the platform. If you find yourself spending hours scrolling through other people's dinners and kids' birthday party pictures, then it has done its job of keeping you on the platform. The more you stay on Facebook, the more opportunities they have to advertise to you, and the more adverts there are, the more money advertisers pay, and so on.

Adverts aside, there are several ways you can utilise Facebook, such as joining other groups, creating your own group, or just by using your own personal profile or business page. Let's break them down ...

Joining groups

Groups are a great way to leverage and network online whilst growing your own profile.

It's pretty easy to get going — search for property groups on Facebook and you'll be met with a huge amount to choose from. Pick one that is active and matches your chosen strategy. You might be asked to apply to the group by answering a few easy questions (this is to ensure that the group stays valuable to members and deters fake or spam accounts). Once you're in, you can post in the forum. Why not start by introducing yourself and telling the other members why you are there?

It's a great way to build your profile for your own business. It's quite difficult to start a property group now, as most people who have already done so have an established audience. But you can leverage someone else's group, and the benefits of contributing could be massive for your profile or business. All you need to do is interact.

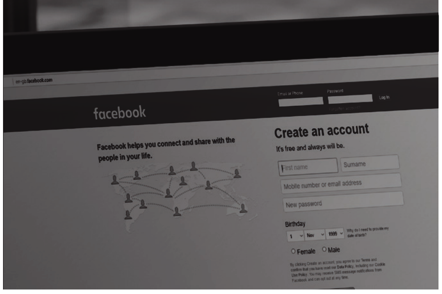
NOTE: Don't openly ask for money or partners. Most moderators will see this as spammy and may remove the post. If you become a trusted member by contributing and adding value, then people will naturally gravitate towards you.

As a group owner myself, I know first hand what the benefits of posting regularly are. I have really built the backbone of my business from using social media, and Facebook in particular.

Create a Facebook page

First, I'll explain what the difference is between a "group" and a "page". A group is focused around community and is all about creating a tribe that the members feel a part of, and collectively, they are stronger. A page is more about you as a person, or your business, and it allows you to advertise your products and/or services. If you are just starting out on social media, I would recommend starting a page first before venturing into your own group. It's really easy to set up and you can even do using your mobile phone within seconds.

Now that you have a page, what do you do with it? This will be very individual and it depends on your priority. For example, my page (rickgannonuk) is designed to share as much information to my community as possible. I don't really sell anything from the page, but the more I post, the more people tend to want to do business with me in some way, shape or form.



What should you post? This is a great question. Start simple, and presuming you're a property professional, make sure your posts are indeed about property. It might seem obvious, but some people do tend to mix things up and it will confuse your audience. Here are some post suggestions for you to get going:

Share your journey

Tell people what you're doing and what challenges you're facing. People like real stories about real people.

Share industry facts

Look for some credible sources on the internet and read about what is happening in the property market. Pick something you resonate with, and then share it with your audience. When I say 'share', I don't mean by sharing the link (because Facebook won't like this), instead read the report and share it using your own words. **Don't forget to credit the original source.**

Ask engaging questions

People love a debate, and the great thing about social media is that it gives everyone the ability to share their own opinion, which can create great conversation.

Engage with your audience

Reply to their comments as much as possible, as this shows that you're real. You'll begin to attract more people onto your page by doing this.

The last element to think about is how often to post. It's easy to answer with "probably more than you're doing right now", but I'll break it down. If you don't post at all, then start with just one post every two days, then try to increase it to at least once a day. The more prolific social media influencers post up to ten times a day, but you don't need to be anywhere near that level — once a day is better than none.

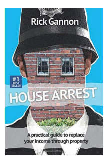
Be consistent and don't worry about the amount of likes or follows you have — that's just vanity. There will be lots of people who will read your post, and who knows, maybe one day they'll be your next joint venture partner.

So what are you waiting for? Get your page set up and happy posting — I'll be looking out for you on Facebook!

See you next month.

Rick

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



THE LANDLORD BATHROOM COMPANY

Designed, Supplied & Fully Fitted! We do all the hard work.

www.landlordbathrooms.com

The Landlord Bathroom Company undertake bathroom design, supply and installation projects across Greater London and beyond.

We insist on managing the entire process to ensure complete satisfaction.

All our quotations are for a fully inclusive service.

One company and one price to design, supply and install a fully functioning and completed bathroom.

FULLY INCLUSIVE

Designed-Supplied-Fully Fitted

- Home visit
- Initial planning
- Technical survey
- Design
- Installation
- Project management

No unexplained or hidden costs or any nasty shocks, just the comfort of knowing exactly where you stand financially.

SATISFACTION 100% GUARANTEE

0330 223 6363

It's Mastermind Scholarship Time!

By **Simon Zutshi**

A once-in-a-lifetime opportunity for you to join us on the 12-month virtual Property Mastermind Programme, at no cost to you.

Every year for the last ten years we have awarded one very lucky YPN reader a full scholarship on the Property Mastermind Programme. This life-changing opportunity is awarded to someone who would not normally be able to participate in this programme, and now the search for our 2022 scholarship winner has begun.

April 2022 will mark the 15th anniversary of the Property Mastermind Programme, which has become the most successful 12-month property investment mentoring programme in the UK, based on the results achieved by our participants. You may want to have a look at the successful investors' case studies by searching on YouTube for "Simon Zutshi Property Mastermind", to see for yourself the latest incredible results that people just like you have achieved in less than 12 months whilst on the programme.

In this article, I am going to detail what is involved in the Property Mastermind Programme. I'll share with you how the participants are able to achieve incredible results in such a short amount of time to demonstrate that you too could achieve all you want to in property, once you have the correct specialist knowledge, mindset and supportive environment.

> "We will teach you how to make money by solving people's property problems"

Could you be our next scholarship winner?

If you are interested in winning this scholarship, let me tell you the kind of person I am looking for and what it takes for you to be successful on the Property Mastermind Programme. This will help you in your application, should you wish to apply for the 2022 scholarship.

> The most important thing you need is to have an open mind with a positive "Can Do" attitude.

We will teach you how to make money by solving people's property problems, finding the ethical win/win solution that works for everyone involved. When you are on the Property Mastermind, you will start to think in a different way from the average investor. You will see and have the courage to seize opportunities that most investors would miss.

The second most important thing: you need to be teachable and willing to follow the step-by-step instructions and the blueprint we provide you with, which will help you to achieve your property goals. You need to "Trust The Process" and just do what we tell you, when we tell you. You need to be able to get out of your own way. As human beings we often like to complicate things, but the reality is that having run the Property Mastermind successfully for so many years, we know what works and what does not work. It's quite simple really. You just need to do what "Simon Says". Not because I am always right or have all the answers, far from it. I am always learning myself, but it is interesting to hear that the top performers, on their video case studies, very often say they just did what they were told to do and kept going.

Next, you need to be committed and focused, prepared to do whatever it takes to achieve your goals. You will need to put in both time and effort, because the results won't happen on their own. The good news is that you don't have to do this all on your own. All the support and help you need will be readily available to you. Instead of just working hard, we will show you how to work smart and make the most of the resources available to you. Don't be afraid to ask for assistance when you need it, because that's what we are here for.

Finally, you need to be persistent. This is very important. There are many challenges in property and what happens all too often is that most people give up far too easily. Being in an environment where other people around you are achieving the results you want, means that you can do it as well. All you need to do is keep going. The support and accountability you will receive from your own personal one-to-one success coach will certainly help, but ultimately you need the determination, and a really strong reason **WHY** you are doing this, to keep you motivated and on track.

Here's what you **DON'T** need to be successful on the Property Mastermind Programme!

Now that we have looked at some of the personal attributes you need to be successful, let's consider some of the things that you don't need, which may well be a surprise to you …

You don't need to be full time in property!

Some of our most successful delegates have had very busy jobs, so did not have much free time to apply the numerous strategies that we teach on the programme. This meant they had to be very focused and make the most of the time they did have. Some of our top performers have been people with busy lives who had only had eight to ten hours per week to dedicate to property investing. So, we know eight to ten hours is the minimum time commitment if you want to achieve the kind of results we know are possible.

You don't need to have £250k to buy £1M in property!

Some of the people who join the Property Mastermind Programme do have substantial amounts of money to invest. However, some have very little of their own resources, which is why they join the programme – to learn how to safely use other people's money. No matter how much money you have or don't have, at some point you will run out of your own funds.

When you are on the programme, we show you how to work with other people and use their money for mutual benefit, whether that is through loans or joint venture investments. Some of our most successful graduates are people who had none of their own money. In fact, some had to borrow the money to fund their participation on the programme in the first place.

You will also learn how to use momentum investing, whereby you can rapidly build up a cash-generating portfolio of property by regularly recycling your deposit.

You don't need to be able to get mortgages.

One potential challenge that some investors face is an inability to get mortgages, for a variety of reasons. Of course, it is better if you can get mortgages in your own name, but this is not essential. Many of our delegates have favoured strategies that we teach such as rent-to-rent and purchase lease options, where you can build up significant cash flow from properties you don't own, without the need for a mortgage or a large deposit.

You don't need to be an experienced investor.

Whilst many of our delegates are already very successful investors who join us in order to step up to the next level, approximately 40% of people who join the programme don't have any property investing experience. They decide to enrol to massively reduce the time and effort it would normally take to build a portfolio sufficient to replace their income. More important than experience is the right positive attitude as mentioned above.

So why are delegates on the Property Mastermind Programme so successful?

It can be a very lonely journey investing in property on your own, especially if the people around you, such as your family and friends, don't understand property or what you are trying to achieve. For this reason, when I first launched the Property Mastermind Programme back in 2007, my goal was to provide the best possible environment over a 12-month period, to help support people until they had enough momentum and results to be self-sufficient.

I was very conscious that in order to maintain this high level of support, it was important to make sure that the programme was not dependent on just me, otherwise I would become too busy to help everyone as it grew. So we have developed a culture where the support comes from everyone involved. We have a unique, abundant environment where everyone is prepared to share knowledge and help each other in the best interests of the group. It is rather difficult to describe to people outside of what feels like a family, because there are not many examples or comparisons we can make of this kind of community spirit in today's society.

What do you actually get on the Property Mastermind Programme?

There are now eight separate elements to the Virtual Property Mastermind Programme as detailed below:

1. **Before you attend, you receive access to "The Brain Transplant Pack", an online library of all our training designed to bring everyone up to a certain level of knowledge before they start.**
2. **Our live virtual Mastermind Accelerator workshop, where we teach you all the strategies from the 12-month programme in just three days, to give you a flying start.**
3. **10 x one-day advanced workshops (one day each month except August and December) delivered live online via Zoom, which means there is no travelling time or costs. For this reason, overseas investors can also now participate in the progamme more easily.**
4. **All these advanced workshops are video recorded so that you capture every single valuable minute to watch again and again, to build your property knowledge and confidence.**
5. **24/7 support, 365 days a year through the Property Mastermind private online forum, which gives you access to a priceless resource of property investing information, with over 120,000 posts and growing.**
6. **Each month there is a group accountability webinar with my lead trainer and the rest of your group, where you can ask us any questions you have.**
7. **Your own personal one-to-one success coach who you speak to twice each month, to support you, guide you, act as a sounding board and hold you to account.**
8. **Two half days of one-to-one online mentoring, where the mentor will work with you, holding your hand and helping you with anything you need.**
9. **Annual membership to all pin meetings which gives you access to all of the 50+ pin meetings across the UK, as well as some additional online resources and networking.**
10. **VIP tickets to our two big, annual three-day property events: Strategy Implementation Live in March and Property Magic Live in September.**

Here's what you need to do now!

Does the Property Mastermind Programme sound like something that you would like to do?

This is your opportunity to be in with a chance of winning the full scholarship to the January 2022 Virtual Property Mastermind Programme (MMV4), or one of the 20 runner-up prizes of a £500 discount off the next advanced three-day Virtual Mastermind Accelerator in December.

In early November, I am going to be hosting a webinar all about how you could win this life-changing opportunity. To secure your seat on this webinar register your details here now: **www.MastermindScholarship.com**

Good luck and I look forward to you joining me on the webinar in the first week of November.

Invest with knowledge, invest with skill

Best wishes,

Simon Zutshi

- **Founder of property investors network**
- **Author of Property Magic**
- **Founder of the Property Mastermind Programme**

Retired at 35!

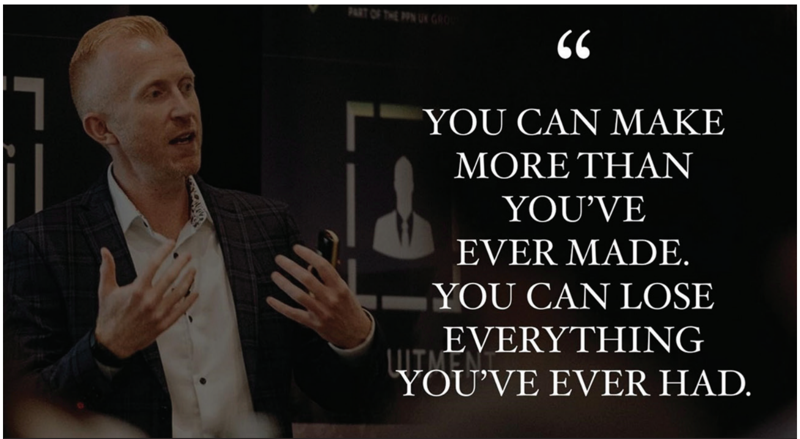
HOW TO BUILD A FINANCIAL FORTRESS™ USING BUILD-TO-RENT AND COMMERCIAL DEVELOPMENT

BY **DAN HILL**

I'm writing this article two weeks before my 35th birthday, having completed a record-breaking 12 months and a huge championship season. As such, I've made some significant decisions within the PPN UK Group over the last four weeks, and it gives me great pleasure to share with you that this has resulted in my 'retirement'.

The opportunity and ability to make this decision has only been made possible because, through investment in business and property, I have focused on genuine and long-term wealth creation, achieving financial independence by building my Financial Fortress – the number one focus point for all our Property Entrepreneurs.

In this article, I'm going to take you through the headline structure to achieve this yourself, and give you my ten top tips to help you start your journey to build your own Financial Fortress™, using build-to-rent and commercial to residential development as options to explore.



Retirement

On the Property Entrepreneur programme, we encourage all our clients to reach a retirement position as quickly and as early as possible. We're not saying that you're not going to work at all; what we're aiming to achieve is financial independence through building your Financial Fortress™. This will give you the opportunity to choose the avenues that bring you enjoyment and feel like play rather than taking on tasks or projects that feel more like work.

To achieve this, the aim of the game is to take money off the table. There is a twofold approach to this:

1. **Do not aim to achieve a multimillion-pound exit in ten years' time. The goal is to take money off the table as you build your businesses, ie, on 28th of every month your increase your net wealth position by staying 'in the game' instead of trying to win or 'complete the game'**
2. **By building your Financial Fortress™, you will no longer have to make decisions based on being paid for what you do. By taking money off the table, you can choose the things that are more fun and more enjoyable – and ironically, they tend to turn out to be more lucrative.**

Now that I've reached this point, I would like to share some insight and encourage others to do the same.

Financial Fortress™

The Financial Fortress™ is the principal focus for all Property Entrepreneurs. We believe that everybody in business, property and investment should have their own Financial Fortress™. This is your true financial independence which means, good year or bad, you will have a solid amount of equity and residual income from your portfolio to cover your monthly outgoings at any given time.

The minimum target we set would be to build a portfolio of boring assets within your Financial Fortress™ that totals £1 million in equity (this is essentially your pension fund) and generates a minimum of £100,000 net income per annum (your salary). You may not need this now; however, should there be a need for you to quit your job, sell your business or you're unable to work, this annual income will give you security and the financial independence to do so.

There are three steps to building a Financial Fortress™:

1. **First is Cash Flow: focus on your money coming in every month and get your overheads covered to give you space to breathe.**
2. **Second is Profit: large capital events are then required to increase your net wealth.**
3. **Third is Assets: invest in low risk, low return (boring) properties that you can rely on for your long-term pension.**

If you want to know more about this, please subscribe to the official Property Entrepreneur podcast and listen to 'Episode 024 - Rich Bad Wealthy Good', which explains the Wealth Creation Blueprint in more detail.

Commercial Development

Over the last decade, commercial development has been one of the best models to create both cash flow in income and equity in assets. And in line with this month's main feature, here are my ten top tips to enable you to move through the levels of investment toward building your own Financial Fortress™ for long-term wealth creation and financial independence.

1 START SMALL

Property development can be highly lucrative. You can make more money than you've ever made but equally you can also lose everything you've ever had.

I would encourage all landlords and investors to start small, do it bit by bit and gradually move towards doing larger developments. Whilst many of you will read this and not take note, I can assure you that in business, slow and steady genuinely does win the race when you want to build something lucrative and sustainable.

For example, when I built my own Financial Fortress™, I started with large HMOs before moving into small blocks of apartments, then went from blocks of four to six to 12 to 18 to 20 to 58 etc.

This process took five years, but the outcome of doing it slow and steady has meant that every single deal has made solid returns with minimal risk. Returns have been more than 20%, with most developments making between 40-80% ROI.

2 TAKE MONEY OFF THE TABLE

Most entrepreneurs live their life thinking that rolling up the gains for tomorrow is the way to make money, and hope that there will be an eventual payday or multimillion-pound exit. On Property Entrepreneur, we encourage people to do this differently. The aim is to have several large capital events in your journey where you either sell properties or businesses to take a large chunk of capital off the table.

Genuine wealth creation is not created by large noisy cash flow businesses, the purpose of these is merely to pay your salary. Instead it is created on the balance sheet, with equity, and through large capital events in business and/or property.

If you want to achieve genuine wealth creation and financial independence, taking money off the table is not negotiable.

3 MASTER YOUR MARKET

This might sound fundamental and basic, but I can guarantee you most people do not know enough about their market to generate genuine 30-50% ROI.

To master your local market, you need to know everything from understanding the grades of each area, ie, which areas are A Grade, B Grade and C Grade, up to the price per square foot for both purchase, development and resale.

All the information you need to know to do highly lucrative development deals is out there and online, so I encourage you to walk the streets, read your local property data, the local council plan and supporting planning policy.

"When you understand the rules, you are in a much better position to play the game".

4 DEALS, DEALS, DEALS

Most property developers (in reality!) make between 10-25% net profit, whereas the developments we've completed over the last five years have made a minimum of 30%, some up to 100% ROI.

Many people think this is because we spent hundreds of thousands of pounds on direct to vendor marketing, under the counter deals or by having agents in our pocket. The reality however is that because we've mastered our market, the deals we do are out there on Rightmove and Zoopla for everybody to see.

If you don't have this knowledge or the patience to wait for the right deal to come along, you can end up overpaying on deals you are emotionally committed to. My feedback here is to be patient, wait for the right deal and do not do deals that don't make money.

When you understand your market and you can follow these top tips, you'll find many of the sites that you're going to acquire on the open market. Read on to understand why ...

5 FIND AN ANGLE

On Property Entrepreneur, one of the key strategies we teach our clients is to observe the masses and do the opposite. If you're trying to do what everybody else is doing, not only is there high competition, but there are also low margins.

What we support you to do here is to find an angle.

Whether it's permitted development, high density, care, airspace or how to leverage commercial valuations for your exit, find an angle that nobody else understands and capitalise on becoming an expert in that field and then repeat again and again.

The 30-50% ROI is not gained by doing what everybody else is doing. The key thing here is to observe the masses and do the opposite.

6 HIGH RISK, HIGH REWARD

As alluded to earlier, development is a high-risk strategy and a high-risk sector, but lots of people are doing deals that don't make money.

If you can become an expert in your field and understand the art of being a developer, fully understand the fundamentals of risk management and are prepared to take on a degree of risk, you really can make 30-50%+ returns.

All our sites are part purchased cash and unconditionally. However, we always go in with our eyes open and ensure we have a plan A, B and C to minimise the risk.

Risk is inevitable in property.

High risk is inevitable in development.

However, if you can be brave and bold but not foolish, it can result in very lucrative returns.

7. MAXIMIZE YOUR MARGINS

Most investors try to move into development and mitigate every level of risk through the deal. The reality, however, is with every element of risk you eliminate, you also tend to reduce margin.

There are ten different margins that you're potentially missing in your development. If you want to achieve genuine wealth creation and build your Financial Fortress™, I'd highly encourage you to explore each of these ten margins that we use.

I've listed the elements below but if you listen to the official Property Entrepreneur podcast '003 – The Margins You're Missing – Property Development' you will find more detail on each of these:

- **The Motivation Margin**
- **The Confidence Margin**
- **The Risk Margin**
- **The Expertise Margin**
- **The Security Margin**
- **The Premium Margin**
- **The Holding Margin**
- **The De-risk Margin**
- **The Yield Margin**
- **The Commercial Margin**

8 FIXED PRICE CONTRACTS

There are many areas of risk within property development, whether that's acquiring the right deal, getting the right planning, delivering on budget, or achieving a successful exit. Using the right construction model can be key to minimising your exposure here.

Over the years, we have used various models including sub-contracting work out, using project management structures, and main contractors. What I would highly recommend is using a principal contractor model where you contract to one direct individual or business, and allow them to take the project management margin in exchange for taking the liability over the build.

Within this we would encourage you to choose a fixed price plus contract, whereby regardless of any surprises or changes in construction costs, to a degree, the price that you pay for both labour and materials is secured from the start.

The risk and the reward element of the project management margin is then absorbed by the main contractor; any variations within the build can then be accommodated as variations and the price adjusted accordingly.

Using a fixed price and main contractor may seem more expensive on paper, however it is money well spent in my opinion and experience.

9. DE-RISK YOUR EXIT

Having been in development since 2015 and appreciated the challenges of doing a build-to-sell model, I highly advocate the build-to-rent-to-sell model for genuine wealth creation and long-term wealth management.

Within this strategy, you buy the development, you develop it to rent, and then you put it on the market for sale at the top price. If it sells at the top of the market, excellent! You can crystallise your return. If it doesn't, you can hold it for six months, 12 months, 12 years … and it cash flows for you in the interim.

Any opportunity to de-risk your exit is highly advised within commercial to residential development, whether that's build to order, pre-selling off plan, building to order for housing associations, forward funding, build-to-rent or similar.

10. PAPER EXERCISE

The final tip is more of a mindset and positioning sentiment.

We advocate that you acknowledge the difference between being a builder, being a project manager, and being a developer.

By treating development as a paper exercise where your responsibility is to optimise schemes, maximise returns, and effectively delegate the workload and contract out different services either to a main contractor, a QS or a monitoring surveyor, you will find yourself in the best position to be a highly lucrative, highly leveraged developer.

I do not recommend that you become fully involved in project management, being on site intensively or managing trades. Instead I would highly encourage you to use

professionals.
This will cost you tens of thousands of pounds. However, every penny is money well spent as it secures your investment and mitigates risk that would otherwise leave you exposed.

If you think it's expensive paying for a professional, wait till you've experienced the cost of an amateur! In the same way cheap trades are a false economy, trying to skimp on the money you spend on professionals carries exactly the same logic.

Summary

In summary, property development is very much an advanced strategy but it is something I would highly encourage you to consider within your investment journey. Start small, whether it's with large HMOs or small blocks of flats, manage your risk effectively, don't bet the house and build up your development experience from there.

Whether you are experienced in development and you apply these tips to take it to the next level, or it's something you're just starting to consider, follow these ten tips effectively and I guarantee you either fewer challenges in your projects or a higher ROI and margin, or ideally elements of both.

Dan

Podcast – Wealth Creation Blueprint

If you've enjoyed this article, make sure you subscribe now to The Official Property Entrepreneur podcast and listen to the two episodes, **'003 – The Margins You're Missing – Property Development'** and **'Episode 024 – Rich Bad Wealthy Good'** which explains how to build your own Financial Fortress™ and the three levels to wealth creation.

These two training podcasts will enable you to step change your progress, increase your margins, and genuinely guide you towards doing development deals that can make you between 30-100% ROI, enabling you to build your Financial Fortress™.

This will not only provide you with security and financial independence but will also give you the opportunity to step back from your business and retire as and when you choose or have to.

I hope you've enjoyed this article, and I wish you all the best as we head into the downtime of the autumn season.

Those of you joining us on Property Entrepreneur from October, I look forward to seeing you in due course and I wish you all the best for the next three months of strategy.

Mortgage update

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

Over the last month we have seen many changes to the specialist BTL market with lenders introducing limited edition products, and as competition rises, rates are starting to reduce.

This month, I thought I would provide you with a bit of an overview of some of these latest changes and a summary of some of the key products.

Precise Mortgages

Precise are a key lender in the specialist mortgage market and will lend in personal names or in a limited company for single let properties, HMOs and multi-unit blocks. They have an excellent range of products, and have also reintroduced products up to 80% loan to value/purchase price.

In addition to their standard products, Precise have launched a limited edition range:

LIMITED COMPANY PRODUCTS – STANDARD BTL

75% of the purchase price/valuation

- **2.79% – 2-year fixed – 1% product/ arrangement fee added to the loan**
- **3.29% – 2-year fixed – no product/ arrangement fee added to the loan**
- **3.34% – 5-year fixed – £1,995 product/ arrangement fee added to the loan – minimum loan £200,000**
- **3.34% – 5-year fixed – 0.5% product/ arrangement fee added to the loan – minimum loan £50,000**

In addition to their limited edition products, they also have some excellent products with incentives which are great for remortgages.

75% of the purchase price/valuation

- **2.99% 2-year fixed – 1.5% product fee added to the loan – refund of valuation fee and £300 cashback**
- **3.49% 5-year fixed – 1.5% product fee added to the loan – refund of valuation fee and £300 cashback**

80% of the purchase price/valuation

- **3.79% – 2-year fixed – 2% product/ arrangement fee added to the loan**
- **3.99% – 5-year fixed – 2% product/ arrangement fee added to the loan**

LIMITED COMPANY OR PERSONAL PRODUCTS – HMO/MULTI-UNIT PROPERTIES

75% of the purchase price/valuation

- **2.89% – 2-year fixed – 1.5% product/ arrangement fee added to the loan**
- **3.59% – 5-year fixed – 2% product/ arrangement fee added to the loan**
- **3.69% – 5-year fixed – 1.5% product/ arrangement fee added to the loan**

It's great to see the rates for the specialist market reducing. This is only providing more competition, and we are seeing other lenders reducing some rates too.

Paragon Mortgages

Paragon have just also launched some limited edition products which are excellent for the market. These products are in addition to their full product range and are available for a limited time. They are available for single self-contained units, HMOs and multi-unit blocks.

LIMITED EDITION PRODUCTS

75% of the purchase price/valuation

- **2.65% – 2-year fixed – 1% product/ arrangement fee added to the loan – free valuation, £750 cashback and £299 application fee**
- **2.99% – 5-year fixed – 2% product/ arrangement fee added to the loan – free valuation, £750 cashback and £299 application fee**

It's excellent seeing specialist lending rates returning to below 3% and the competition in the market for business at the moment.

Foundation Home Loans

Another specialist BTL lender to launch some limited edition products for limited company lending is Foundation HL. The new products have a standard product fee of £1,995.

75% of the purchase price/valuation

- **2.94% – 2-year fixed – £1,995 product fee added to the loan – £125 application fee**
- **3.14% – 2-year fixed – £1,995 product fee added to the loan – £125 application fee**

Foundation HL have also improved their fee-assisted range of products. The new products have a reduced product fee helping with costs.

75% of the purchase price/valuation

- **3.49% – 2-year fixed – £1,495 product/ arrangement fee added to the loan – free valuation, £250 cashback and no application fee**
- **3.64% – 5-year fixed – £1,495 product/ arrangement fee added to the loan – free valuation, £250 cashback and no application fee**

65% of the purchase price/valuation

- **3.29% – 2-year fixed – £1,495 product/ arrangement fee added to the loan – free valuation, £250 cashback and no application fee**
- **3.49% – 5-year fixed – £1,495 product/ arrangement fee added to the loan – free valuation, £250 cashback and no application fee**

Foundation Home Loans have been very competitive in the specialist market and they have some excellent criteria. They have also reintroduced 80% loan to value/purchase price options to their standard product range for the investor looking for a high loan amount.

The Mortgage Lender

Another specialist lender to reduce rates and launch some limited edition products in addition to their full product range are The Mortgage Lender. TML are owned by Shawbrook Bank and have a full range of products for specialist lending including single lets, HMOs, multi-unit blocks and now, holiday lets. They have also reintroduced 80% lending across their range of products, giving investors more choice, which again, is excellent for the market.

Limited edition products include:

75% of the purchase price/valuation

- **3.35% – 2-year fixed – 1% completion/ product fee added to the loan – £150 application fee**
- **3.20% – 5-year fixed – 1% completion/ product fee added to the loan – £150 application fee**

It's excellent that they have included specialist holiday lets/short-term lets, as it adds to this lending area and increases competition in this market.

Kent Reliance

Kent Reliance is part of the One Saving Bank (along with Precise). They provide options for some more complex financing and are a strong HMO lender. They have simplified their product range that is available for all types of lending, and have reintroduced 80% loan to value/purchase price lending.

75% of the purchase price/valuation

- **2.99% – 2-year fixed – 2.5% product fee added to the loan – £145 application fee**
- **3.39% – 2-year fixed – 1.5% product fee added to the loan – £145 application fee**
- **3.44% – 5-year fixed – 2.5% product fee added to the loan – £145 application fee**
- **3.64% – 5-year fixed – 1.5% product fee added to the loan – £145 application fee**

80% of the purchase price/valuation

- **3.99% – 2-year fixed – 2.5% product fee added to the loan – £145 application fee**
- **4.29% – 5-year fixed – 1.5% product fee added to the loan – £145 application fee**

One of the key strengths of Kent Reliance is their criteria, as they have some flexible lending criteria for investors.

Key criteria:

- **No HMO/buy to let experience required for HMO lending, but must just a property owner – up to six bedrooms**
- **Minimum value/purchase price £75,000**
- **No six-month ownership rule and they will allow refinances on properties that have been fully refurbished within six months.**
- **Additional borrowing available to apply for after six months**
- **No minimum income**
- **Complex company structures considered**
- **HMOs up to 10 bedrooms considered**

If you are looking at personal borrowing for BTL finance at the moment, here are a selection of the rates available for single lets.

Headline interest rates available for personal borrowing:

LENDER	LOAN-TO-VALUE	PRODUCT	FEES
The Mortgage Works	75%	1.39% fixed until 30/11/2023	2% arrangement fee, free valuation and free legal remortgage service
BM Solutions	75%	1.62% fixed until 31/12/2023	£1,995 arrangement fee, free valuation and free legal remortgage service for remortgages
BM Solutions	75%	2.07% fixed until 31/12/2023	No arrangement fee, free valuation and free legal remortgage service
The Mortgage Works	65%	1.24% fixed until 30/11/2023	2% arrangement fee, free valuation and free legal remortgage service
Virgin Money	75%	1.64% fixed until 01/02/2024	£995 arrangement fee, free valuation and free legal remortgage service or £500 cash back for purchases
BM Solutions	75%	2.00% fixed until 31/12/2026	£1,995 arrangement fee free valuation and free legal remortgage service
Virgin Money	75%	1.93% fixed until 1/02/2027	£995 arrangement fee, free valuation and free legal remortgage service or £500 cash back for purchases
The Mortgage Works	65%	1.74% fixed until 30/07/2026	£995 arrangement fee, free valuation and free legal remortgage service
Leeds Building Society	75%	2.06% fixed until 31/12/2026	no arrangement fee, free valuation and free legal remortgage service

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

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

Tax tips for Commercial Conversions

Shaz Nawaz, AA Accountants

The outfall of the Covid-19 pandemic on businesses and business practices has resulted in more commercial properties becoming available, which has opened the door to more opportunities for commercial conversions. Where the current planning use is for offices, then it is not usually necessary to seek planning permission for change of use to residential and this also applies to shops and financial services and other professional services, up to a specified size. You will however still need Prior Approval from the planning authority (to allow them to assess the impact of the proposal) and also Buildings Regulations approval. If the planned changes are in a conservation area, then planning permission will still be required, as will listed buildings consent (where relevant).

As a property-invested accountant, I've had a good deal of experience in the way in which taxation works for commercial conversions. The taxation advantages are mainly available to property developers but are also relevant to someone converting a commercial property to residential for letting purposes.

As a preliminary point, property development (by which I mean buying and developing property with the objective of selling on) will be classed by HMRC as a trading activity, whereas converting a property to residential with a view to then letting it and managing it as rental properties will generally be classed as an investment activity (unless you are providing serviced accommodation and meet the rules to qualify for some of the reliefs available to a trading business). Why is this important? Overall, there are more taxation advantages to a trading activity, such as a wider range of reliefs and allowances, and the proceeds of sale being treated as income for tax purposes rather than a chargeable capital gain (the rate of corporation tax is less as things stand).

There are also a number of tax advantages available to you in the development process and these can help you maximise your profit, manage your cashflow, or both. Some of these relate to the incidence of VAT.

When buying (or leasing) a building, it's always vital to know whether the seller/landlord has 'opted to tax' for VAT purposes. Once this election has been made, then all 'supplies' (in VAT terminology) relating to that building will suffer the addition of VAT (usually at standard rate currently 20%). So, this will apply to the sale proceeds and to rent (irrespective of whether the other party is registered for VAT). If you are VAT-registered then generally you can reclaim the input VAT (ie what you have been charged). If you are purchasing as a 'Transfer of a Going Concern', ie both parties are VAT registered (or the buyer will register for VAT) and the buyer intends to use the purchased assets to carry on the same type of business, then in very simple terms, there is no need to pay VAT on the purchase of a commercial building but the buyer must register for VAT.

Where the seller (or a previous owner) has opted to tax for VAT then this election is made in respect of the property itself and it continues in force irrespective of the subsequent sale. So as a buyer you are stuck with the position (although you still have to make an election yourself). There are quite a few ins and outs around the topic of opting to tax, what it applies to, and whether anything (such as new buildings) can be excluded, but that's a very specialist topic and outside the scope of this article. Suffice it to say that an option to tax, once made, usually lasts for a minimum of 20 years.

When you're buying a commercial property to convert to residential, however, there is a way round this. The buyer may dis-apply the option to tax by serving on the seller a certificate in form VAT 1614D, certifying that the property is intended for use as a dwelling or number of dwellings or solely for a relevant residential purpose (such as student accommodation, hospice or care home). This certificate can be issued irrespective of whether conversion work will be carried out, but you can't issue the certificate if you intend to use the property for a non-residential purpose first (before using it or converting it for residential use), although minor or incidental use for a short period, such as storing building materials, can be disregarded. It is up to the seller if they accept the VAT 1614D certificate. They are under no obligation to do so.

The certificate must be in the legally required form and will be binding on the seller provided it is served **before** the price is legally fixed (which technically means a legally binding contract, although the relevant VAT notice suggests that 'legally fixed' could mean that Heads of Agreement have been signed). The effect is that VAT is not charged on the sale price or any other potentially VAT-able supply. If you don't (or can't) serve the VAT 1614D before contract stage, for example where you buy at auction, then you can still serve it after the price is legally fixed, but it is at the discretion of the seller whether or not to accept this. If the VAT 1614D is accepted, then the dis-application only relates to those supplies made after this is accepted. It follows that on a purchase, the VAT 1614D will need to be served before completion.

Why would you dis-apply?

The incidence of VAT can make a huge difference, especially as it applies to the SDLT on the transaction as well as the purchase price. You may not be registered for VAT at that stage and even if you are, it still means finding an additional chunk of funding until you can reclaim it, and then attempting to reclaim the VAT from HMRC.

If you're the seller, and your buyer asks you to accept this after exchange of contracts, then do consider the consequences of agreeing to this. Since the sale becomes an exempt supply, you won't be able to recover any of the VAT on supplies in connection with the sale (such as estate agents' commission and legal fees. Also, if the property cost more than £250,000 then the Capital Goods Scheme means that if there is a change of use from exempt to taxable or vice versa within 10 years of its purchase then you have to adjust the amount of VAT originally claimed. You need to bear this point in mind as the buyer too, if you pay VAT and reclaim it, then dis-apply or revoke the option to tax at a later date (within 10 years of the purchase) then you need to consider the impact of the Capital Goods Scheme.

Moving on to the way in which VAT works during the conversion work, if you've dis-applied the option to tax for VAT, then you're still looking at the VAT on labour (of contractor is registered for VAT) and materials, and on professional services such as architects' fees. Dis-applying the option to tax does not preclude you from being VAT-registered for the development activity.

The conversion of a non-commercial building into a qualifying residence will usually enable some of the VAT to be levied at the reduced rate of 5%.
A qualifying conversion for this purpose is one which results in either a greater or lower number of 'single household dwellings'. So where the property is commercial, the conversion into one or more residences will meet this condition. Conversion into one or more 'multiple occupancy dwellings' will also qualify (if there were no multiple occupancy dwellings before) as will conversion for a 'relevant residential purpose'.

All these definitions need careful consideration to ensure they apply
The reduced rate of VAT will apply to the supply of labour (not materials) for qualifying work including installing building materials, repairs, maintenance, redecoration and improvement (eg double glazing), plus works for providing, water, power, heat, access, drainage, security and waste disposal.

If you outsource the purchase of materials to a contractor, the 5% VAT rate will apply to both labour and materials. It's the responsibility of the contractor or sub-contractor carrying out the work to satisfy themselves that it is for a qualifying conversion. If this is for a 'relevant residential purpose' then the customer must supply a certificate relating to the intended use.

The result will be an improved cashflow if you are VAT-registered and a saving of outlay (5% VAT instead of 20%) if you are not.

Other tax advantages for commercial conversions depend upon the type of land. If this is contaminated land then Land Remediation Relief may allow you to claim up to 150% of the cost of necessary remediation work. This is only available to limited companies and the rate of 150% applies to owner-occupiers or investors. For developers the rate is 50%

There's also Derelict Land Relief if you are bringing abandoned land back into productive use. It must have been derelict for 10 years.

Other things to consider are Capital Allowances, Investors' Relief and Entrepreneurs' Relief among many other reliefs, allowances and exemptions.

So, overall, converting commercial properties can be an efficient strategy for investors, developers and intended owner-occupiers, if done properly with careful tax planning in place in advance.

From Rent to Rent to Commercial Conversions

(Image: Sourced Franchisee Jason Kay.)

Jason's current focus in property is serviced accommodation and commercial conversions. He has invested in rent to rent properties to top up his monthly cashflow, enabling him to work on larger projects for his own portfolio.

Prior to joining Sourced, Jason was working as a procurement specialist for a number of organisations involved in construction projects. His career made him realise what rewards are available in the property industry and he decided to start his own business.

> Getting into Sourced will be the best money you have spent, and the support is second to none.

The franchise package offered by Sourced gave him the tools to take his property passion to the next level. "I joined Sourced to capitalise on the brand, accelerate my property business and access the Sourced Capital funding platform that is available to franchisees." Jason shares. "The training provided by Sourced can help anyone succeed in their property business." he adds.

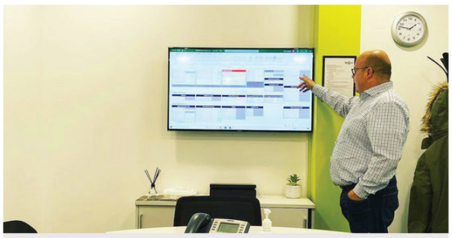
Jason joined Sourced Network in March 2021 and he wasted no time with utilising the resources that come with the franchise. He attended a few training courses, which helped him to build his portfolio and learn about other property investment strategies.

Not long after, Jason started working on a commercial conversion, which will consist of 14 serviced accommodation apartments in Hull. The franchisee is doing the project as a joint venture with Sourced, helping him to fill the gaps in his experience. The conversion has an estimated GDV (gross development value) of £2 million and is funded with the help of Sourced's in-house funding facility, Sourced Capital. The funding platform is exclusive to Sourced's franchisees and allows them to borrow up to 70% of the end value of a project (GDV). That often means funding 100% of the purchase price and work costs.

"I joined Sourced to capitalise on the brand, accelerate my property business and access the Sourced Capital funding platform that is available to franchisees."

Jason Kay, Humber Franchisee

Viewing a potential conversion



Jason at a franchise support day

Within the next 5 years, the franchisee wants to create a stable, cash generating property portfolio. Beyond that, Jason wishes to keep accelerating his property business, with the support and funding platform offered by Sourced.

Jason shares "getting into Sourced will be the best money you have spent, and the support is second to none".

Commercial to Residential Conversions

Graham Kinnear

Historically there were quite significant hurdles to overcome for a residential developer to convert commercial premises. That, however, changed in 2015 and since then the planning system has continued to evolve. The conversion of commercial premises to provide residential accommodation is arguably easier, so far as the planning requirements are concerned, than ever before.

The 2015 changes to the General Permitted Development Order signalled the start of a growing trend for investors to target commercial premises.

The most recent changes, which were brought in on 1 August 2021, allow buildings under the new Use Class MA (which includes commercial, business and service premises) to be converted to dwellings subject only to compliance with the Prior Approval process.

As with all property strategies, you should undertake some thorough due diligence before committing your hard-earned funds. The first thing to understand is whether the new regulations apply to the building you are considering. Bear in mind that listed buildings will still require the formal planning process and this is also true for buildings in Areas of Outstanding Natural Beauty, the Norfolk Broads and in safety hazard areas such as military zones. Note that these new planning regulations can be used in conservation areas, however additional impact assessments will likely be required by your local council.

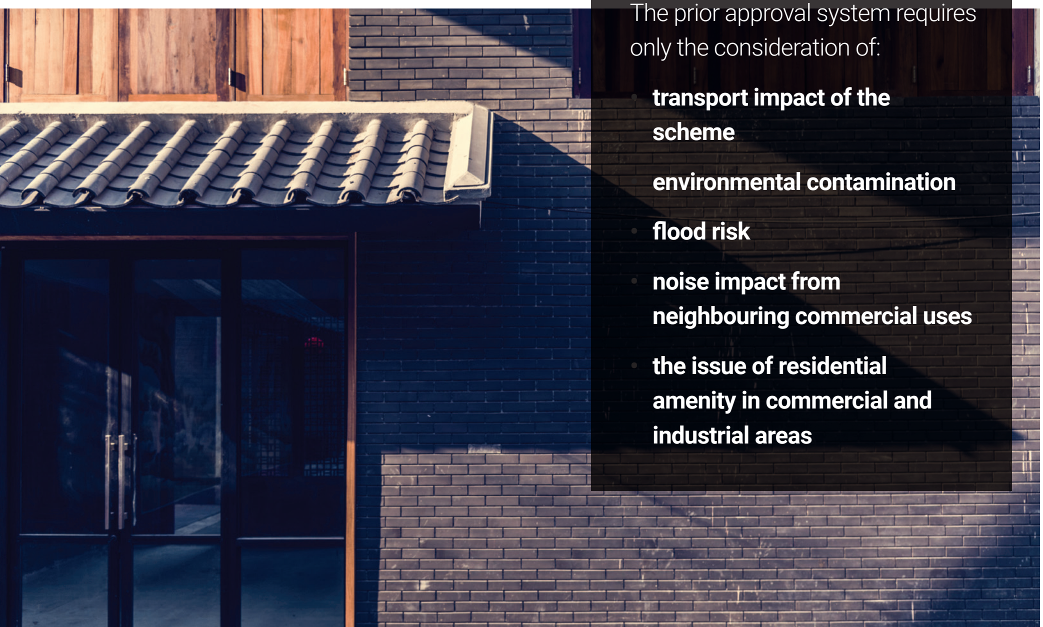
The size of the proposed premises will also impact whether the full planning process is required. The permitted development right does not apply if more than 1,500 square metres of floorspace is to be converted.

The advantages are likely to be significant. Commercial premises are generally in central locations and therefore often provide a perfect location for a rental or resale development. Conversion costs are generally less than the cost of a new build and you may find that with commercial premises, you are battling with fewer prospective purchasers than if you were buying a residential property.

If you can find suitable premises you will likely have the opportunity to create some interesting and rather unique dwellings, which may be more attractive to buyers and renters than comparable new build housing.

To comply with the prior approval requirements, the property must have been vacant for a minimum of three months prior to the submission of your application to the local authority. Further, it must have been operating in its commercial use within the last two years.

> "The aim of these new regulations is clearly to try and streamline an overwhelmed planning system, increase the delivery speed of new housing and to provide a positive injection into the economy."



The prior approval system requires only the consideration of:

- **transport impact of the scheme**
- **environmental contamination**
- **flood risk**
- **noise impact from neighbouring commercial uses**
- **the issue of residential amenity in commercial and industrial areas**

Some consideration has been given to balance speed with quality and now any residential conversion must comply with the national minimum space standards to ensure not only sensibly sized dwellings, but also the provision of natural light to all habitable rooms.

Encouragingly, whilst Section 106 payments can still be levied by the local authority as part of the permission process, they can only be levied in respect of the five items above which are subject to prior approval. Indeed whilst Community Infrastructure Levy payments are technically still applicable, most developments will benefit from the "in use" exemption, as the commercial premises will have been used as such for a period of six months in the preceding three years prior to consent being given.

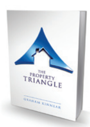
A further advantage is that the fee is lower at £100 per dwelling, and the prior approval should take 56 days rather than the more protracted timescales of a full planning application.

Although a full conversion is unlikely to be suited to those new to property investing, it may be a more attractive opportunity than a full new build, as the planning risk is arguably lower, and funding may be easier given that there are existing buildings upon which to provide some lending security.

If you are new to commercial conversions, I would urge you take some professional advice. The potential costs associated with contaminated land, hazardous materials such as asbestos, site clearance and services could make for an unwelcome surprise for the unwary. You should also speak to your accountant to understand any tax implications, not least as different rules apply in respect of VAT when dealing with commercial property.

Get it right and a commercial conversion can provide very unique units for the sales market, or a robust rental yield if you retain what you have built.

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".

Just a little bit of respect

By **Mary Latham**

The good news is that at the time of writing, there is still nothing significant to report on new legislation, and I covered legislation in the pipeline last month. The not so good news is that this gives me an opportunity to discuss some landlord issues ...

As landlords, we work with people from different cultures/backgrounds/lifestyles. This is a challenge, especially when we have several 'strangers' living in shared accommodation/HMOs. It's fairly obvious there might be tension that can lead to arguments and even to people feeling the need to leave the property. That's a problem for the landlord/property manager, especially when we suspect that a particular tenant is causing the issues yet showing no signs of moving out.

Then there are the individual/family tenancies where there is tension between the landlord and tenants.

Although the law says that the moment a person accepts rent for a property, that person becomes a landlord, in reality the real job of being a landlord begins when things go wrong and we have to manage our tenants.

While there is no magic formula for avoiding delinquent tenants or for being a good landlord, there are some ways to reduce the chances of getting into a stressful situation.

Before we get into that, **let's look at the reality** of how tenants who rent from private landlords feel about the homes we provide:

4.4 million people live in privately rented accommodation (PRS). This is **19%** of households in England.

- **83% of those living in the PRS were satisfied with their current accommodation**
- **84% of PRS tenants were satisfied with the area they lived in**
- **75% of PRS tenants were satisfied with repairs and maintenance**
- **73% of private renters found it easy to afford their rent each month**
- **30% of tenants in the PRS had rented for 10 years or more**

The full English Housing Survey into the PRS is here: **bit.ly/YPN160-ML1**.

We are providing homes to almost one in five households in England and judging by these results, most of the time we are doing a good job.

Stop and pat yourself on the back – well done us!

Throughout the years that I represented landlords as an NLA representative, I was determined that local authorities would accept that most landlords who got things wrong did so because they didn't realise it was wrong, rather than setting out to break the law (which is how we are often perceived). I still stand by this when I talk about those of us who let to private tenants (though I do not include landlords who have moved across into other areas of the business where they have no knowledge or skills – I have written about this in the past).

No one should become a landlord, in my opinion, without understanding the responsibilities, legal obligations and personal skills needed. Many mistakes would be avoided if people attended a one-day accreditation course based on the LLAS model, costing around £150. It's rather arrogant to become a self-managing landlord without.

Mistakes can be avoided. Arrogance, unfortunately, cannot.

Here are a few easily-made mistakes and easily-overlooked issues:

The Big I Am

Tenants don't need to be reminded that you own their home, they are probably very aware of it.

Many people rent from choice because:

- **they are not settled in an area or job yet**
- **they don't want the financial burden yet**
- **they are savings for a deposit to buy their own home**
- **they prefer to spend their money on social life**
- **they want to continue their education/ training, buy clothes etc**
- **they are enjoying travelling before they "settle down" ...**

This is often forgotten by the media, who appear not to have caught up with the change in aspirations of young people in the 21st century. Unlike my generation, who

aspired to home ownership in our early 20s, parenthood by our mid 20s and burdened ourselves with mortgages and bills far too early on (hindsight is a wonderful thing).

In my experience, tenants who rent from choice are easier to work with. Reluctant renters – the ones who cannot afford to buy, have lost their home in a relationship breakdown, who have had a change of circumstances which has reduced their income – often feel resentful. This isn't about you or your property; it's about their own circumstances but they may become difficult tenants, evidenced by:

- **Asking you to change an item that was present at the viewing, which suddenly isn't satisfactory**
- **Noticing marks on walls or carpets that were there at viewing, but suddenly stand out like a sore thumb**
- **Not managing to pay the rent on the agreed day because they are paid on a different day**
- **Being unable to get along with other people living in the property for various real or imagined reasons**

The list goes on.

The best way to avoid this is to have a robust Inventory and Condition Report and to do a good check-in, going through everything listed on the inventory and getting the tenant to sign at the end. This takes up time, but this time is an investment when it comes to dealing with the issues above, should they arise.

Situations caused by **The Big I Am** can be avoided. But what is The Big I Am?

It could be your body language – hands on hips or in hip pockets, a look of disapproval, touching their belongings, standing in the doorway, blatantly looking down at them or their belongings. It comes from your mindset. Doing something which makes a tenant feel less than they are, and in some way inferior to you.

It's important to remember that these tenants are paying the mortgage and/or contributing to some or all of your profit. Without a tenant, a property becomes a liability rather than an asset.

This is a business arrangement. We don't have to like our tenants or their belongings, but we don't have the right to show that we don't approve of their lifestyle unless there is a health or safety issue or breach of a tenancy term. We have to accept that in choosing to let to tenants, we are accepting their lifestyle. The only time we can take issue is if the property and content we provide are damaged/dirty/missing at the end of the tenancy when the keys are returned. Until then, if we cannot enter the property with the same respect we would show when entering a relative or friend's home, we must pay an agent to do it on our behalf.

It's important, whether you are self-managing or paying an agent, to be realistic in your expectations. Very few tenants will *"return a property in the same condition that it was in at the start of the tenancy"*. This is an unrealistic expectation. Fair wear and tear happens when people live in a home and use it every day.

If we accept tenants with pets or even children, the wear and tear may be worse. But in accepting the tenants we must accept the reality. I often smile my way through a visit to a tenant then stop my car down the road to scream or bang on the steering wheel. The funny thing is that often those tenants leave my properties in better order than the ones who have kept things neat and tidy, but simply picked up their belongings and left without even defrosting the freezer at the end of the tenancy! I have learned to wait until I get the keys back before getting stressed or talking to tenants from between my teeth.

WhatsApp groups

I call these "Moan Fests". I know that they can be helpful to send messages to a group of individual tenants in an HMO, but they also offer easy access for tenants who want to moan, and then encourage the others to moan, when they haven't really got an issue. Better to blind copy everyone into emails and let individuals email you with issues. This gives you a paper trail and prevents a gang mentality.

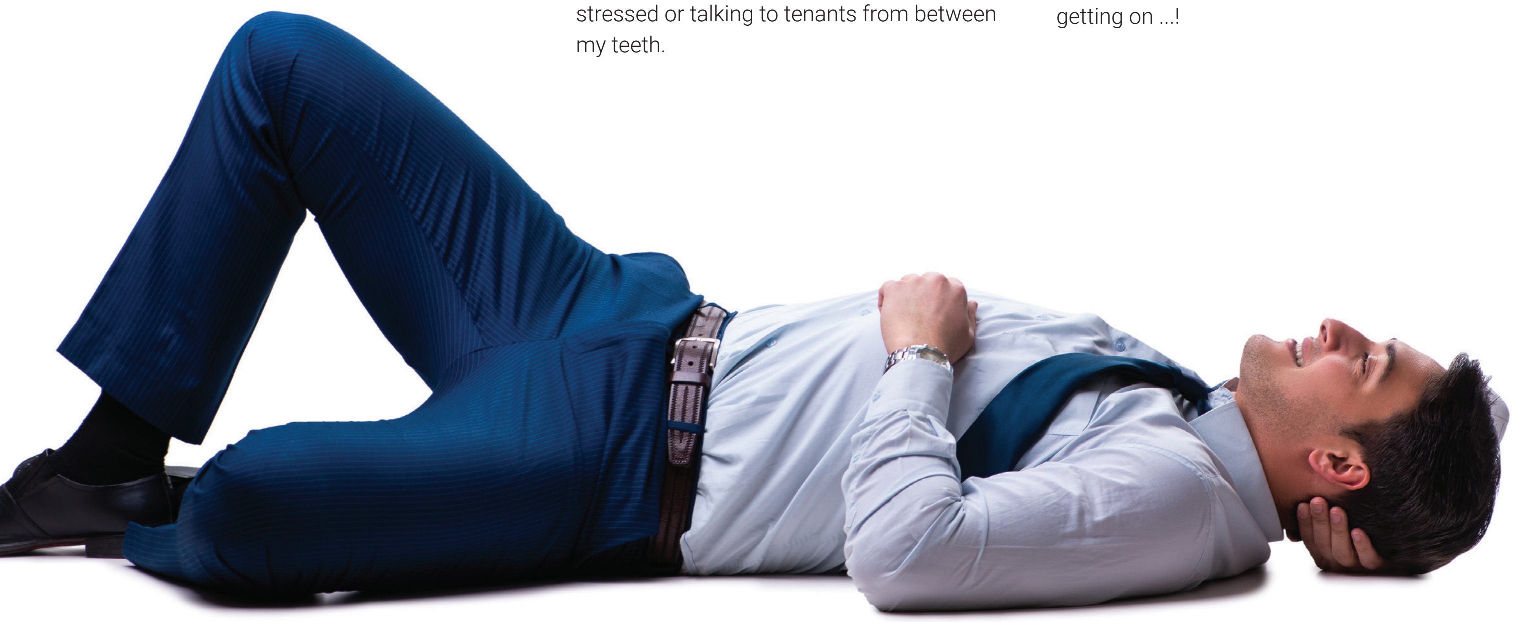
It also means that unless one of the tenants set up a house group, they actually have to speak to one another, which is surely one of the points of living in shared housing?

Being a young landlord

Something that I have noticed over the years and seen several times, is that some tenants will not take a young landlord seriously. You can't help your age and there is very little you can do but if it really becomes an issue, you might consider using an agent. It can be stressful and unproductive fighting to be the Alpha so that tenants understand you are discussing important issues with them.

Alternatively, particularly if it's an HMO, appoint a mature property manager who will deal with day-to-day issues.

There is a saying that goes: "One way to find out if you are old is to fall down in front of a lot of people. If they laugh, you're still young. If they panic and start running to you you're old." Another way is to become a landlord – and when tenants automatically treat you with respect, accept you might be getting on ...!



Legally compliant contracts

If this is obvious to you – great! You don't need to read this part.

I am often surprised by posts in Facebook property groups. One that surprised me recently was from a landlord whose tenant had given him one month's notice that he was moving out after living in the property for less than a month. The question was: *"Can I stop him?"* Of course the answer is, *"not unless you tie him to the bed"*, but that is not the surprising part.

The landlord was out of the country and had emailed the contract to the tenant, but the tenant hadn't signed or returned it. While this is not ideal, in normal circumstances (with a tenancy that runs smoothly and the tenant leaves at the end of the fixed term) there is in fact a contract because the tenant was made aware of the landlord's terms, paid rent and moved in, and there wouldn't be a problem. **BUT** I cannot imagine any judge awarding the landlord four months' rent because the tenant chose to leave after two months, having given one month's notice.

To make matters worse, this landlord said that two other tenants *"were encouraged to do the same"*, presumably because they hadn't signed and returned a contract either, and for some reason were also not happy with the property. How a person can manage an HMO from overseas I have no idea.

There are so many points to come out of this one post …

- **Without a legally compliant and balanced contract, we are left exposed should we ever need to take legal action. I only ever use the NRLA contract because I know they are there to support me in the unlikely event that their contract fails in court.**
- **Without a signed contract, it is difficult to remove a delinquent tenant via either Section 21 (valid dates of service would be an issue) or Section 8 (proving grounds without a contract would be an issue).**
- **Without a signed contract, it is impossible to enforce the terms in the contract including minimum periods, rent due dates, etc.**
- **If the contract wasn't signed, did the landlord have evidence of providing the qualifying documents for a valid Section 21?**
- **This landlord apparently had three tenants who wanted to move out before the end of the fixed term but appeared to have no idea why nor any intention of finding out. He simply wanted to know whether he could stop them moving out.**

In my opinion, regardless of the contract issue, holding onto a reluctant tenant smacks of desperation. Having three tenants in one property who all want to leave would tell me that there is something very wrong and I need to find out what it is.

The best we can hope for is one month's notice and the deposit to cover the cost of marketing the property and any loss of rent during a void. Taking legal action might gain us a little more but that needs to be offset against the time/stress/cost, and we will need to mitigate our losses by working to re-let the room/property.

@landlordtweets Mary Latham Landlord

Friendly … but not friends

Something I have seen many, many times is a landlord who is offended because he thought that he had a *"good relationship"* with the tenants and they let him down. Some landlords even say, *"I thought we were friends"*.

This may be the quickest way to lose respect from a tenant, and it is definitely the quickest way to encourage a tenant to take liberties they would not normally take …

"I'm a bit short this month, you know how it is"

"Sorry mate, I need to move out next week"

"I know that you get it; I can't live with that guy in room 4 any longer"

Being friendly is important and can avoid hostility but that doesn't mean that you are their friend. Listening to a real problem, which is going to affect their ability to pay in full or on time, continue to live in the property and so on, is important but that doesn't mean discussing their divorce, their holidays, their relationships, their slimming plans or sharing your own personal life. Short and sweet is the way to reply to any attempt to start this type of discussion. Maintaining a professional distance makes it much easier when you have to have difficult discussions with tenants.

Remember you have nothing to prove. You may be dependent on their rent but they don't know that unless you tell them. And this brings me to another mistake some landlords make:

Oversharing when chasing rent

When the rent is late and you are sending a reminder, do not tell them:

"I've got a mortgage to pay."

"I have to pay my bills."

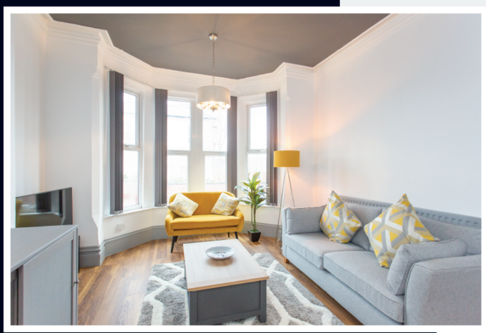
That is unprofessional and too much information to give to a tenant. A reminder should say something like this:

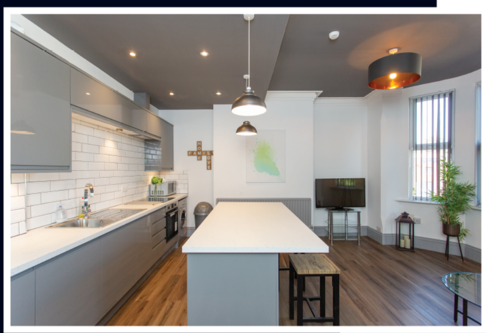
"The rent of £…… was due on …… You are now … days in arrears. Please make the payment today."

Mutual respect is what we are aiming for. I always begin by being very respectful to my tenants, always removing my shoes when I enter their home (even though I own the carpet), always asking permission to sit down (on my own sofa), never staying longer than I need to, always taking a small gift (bottle of wine or box of chocolates), **AND ALWAYS** asking when it suits them for me to call, long before 24 hours' notice, unless there is something urgent. Most of the time this respect has been returned.

Over almost 50 years, there have been very few tenants I have found difficult to deal with, and even fewer as I have grown older. I work hard to get on with all my tenants and to be honest, I often tolerate behaviour that I wouldn't from anyone else. But it's worth it to avoid conflict while living the lifestyle that their rent provides. Isn't that why we become landlords in the first place?

titlesplit.com





- Are you looking for the perfect strategy to make similar cashflows as HMO's but in a less saturated market place?
- Are you looking to diversify your portfolio and ensure you have mixed assets and multiple exit strategies in the future?
- Have you thought about title splitting but realised it's not simple?
- Do you want both cashflow and equity growth in your portfolio (the holy grail to property investors)?

we are going to show you exactly how to simplify this strategy.

✗ HMOs were the strategy for great cashflow in the 2010's
✓ Title Split is the strategy of the 2021s for making profit via great cashflow
✓ Title Split is the strategy of the 2021s for protecting your property assets

Harriet Dunn (commercial property lawyer and commercial property trainer and coach)
Rachel Knight (Property Developer since 2005 and Title Splitting expert) have huge experience in this strategy between them and we are sharing this information with fellow property investors.

Join our discounted Title Split Accelerator, which for a limited time is only £29.00 for YPN readers.

Reduced here if you book https://rachelcfcs.kartra.com/page/TRp115 from £97.00 to £29.00. We are running a number of accelerator sessions for experienced property professionals in June 2021.

SCAN ME

Join us here for just £29

A Reservation Fee of a Week Does Not Work for Us

… plus the fiddly admin of dealing with utility firms

By David Lawrenson of **LettingFocus.com**

Reservation Fees

You may recall that a few years ago the government changed the law, which meant landlords could no longer request a Reservation Fee of more than one week of rent.

The Reservation Fee is the fee taken by a landlord or letting agent when the tenant has passed all your checks and you make them a firm offer of a tenancy, but before the tenancy agreement has been signed.

(It should not be referred to as a "deposit" as it could be confused with the tenancy deposit, which must be protected in an approved tenancy deposit scheme. This is a whole different thing).

The idea of the Reservation Fee is that the prospective tenant pays an amount of money to compensate you if they change their mind and do not enter into the tenancy.

We always used to charge three weeks of rent as a Reservation Fee, as we felt that gave us more security if the tenant decided to change their mind – which could leave us with an empty property for a while until we could secure a new tenant.

Well, a few months ago, a tenant we had signed up and checked out and who had paid us the one-week fee decided to change their mind and not take the property after all.

Most annoying. But luckily, we found a new tenant and so no void period this time.

But because of this experience, we have changed procedures. Now, as soon as a tenant says yes to our offer, we will require them to sign the tenancy agreement and pay the full first months' rent and deposit (five weeks) straight away.

I wonder if other landlords and letting agents are doing the same?

This serves as a great example of how bad law on tenancies has actually made life worse for tenants, hitting their cash flow.

Dealing with Utility Firms and Council Tax

Like a lot of urban landlords, we have had a fair bit of tenant turnover these last 15 months as the pandemic drags ever on.

With frequent tenant changes, one thing to watch out for is to always make sure that you don't get billed for utilities you don't use or were not even in occupation for.

Typically, we will allow for a few days between tenancies, just in case, to do fixes and necessary re-decorations. During that time, we may be liable for a small amount of energy usage and for council tax, though often these days, we landlords are sometimes exempted from paying council tax when the property is unoccupied and empty. And it is important to make sure you don't get billed for any water, energy use or council tax when you are not there – as it is the tenant's responsibility.

This can be a problem, because we have heard of many bills being sent to the let property address for the attention of landlord (often despite the utility or local authority being aware of a landlord's correspondence address). If the bill gets sent to the property address and the landlord is not made aware, the bill can turn red, then into a bad debt, and before you know if, your credit rating is ruined … often without you even knowing there's a problem.

So how to do we control this effectively?

Well first, we make it clear to tenants that they must tell us of any correspondence addressed to us at the let property address.

We then make it a requirement of the tenant's moving in processes to set up all utilities – and for them to give the utilities and council tax folks the correct dates of moving and the meter readings (if applicable).

We also ask both the old and new tenants to send us their own final or move-in bills as well, as proof they have done this.

I did not put this responsibility onto tenants in the past, but unfortunately the utilities and council tax offices seem to have given up even trying to answer calls and it takes far too long to fill in their tenant change forms on the internet. So to save time on this pesky admin, it is now the tenant's responsibility.

Of course, we cannot legally enforce the tenants do this, but most are happy to comply and to send us the proof. It's one less admin job for us to do!

On the rare occasions that the tenants don't do it, we have some template letters to send to the utility firms or the council tax people.

They usually have to be posted – because these days, most organisations seem to have done away with simple email addresses – and everything has to be done online on very consuming online forms. Normally, it takes at least three weeks for them to turn round and respond by snail mail. (We always get proof of posting certificates.)

Where we operate, the only good utilities to deal with are the water utilities. They have call centres that can still answer phone calls in less than two minutes and do all the admin over the phone.

For TV, phone and broadband, we do not get involved at all – this is entirely up to the tenant, with all costs being to their account. We make this clear as soon as we make an offer of a tenancy.

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"*.


Property finance
by property people
Speed, ease and certainty of finance for your property projects
Apply in just 5 minutes at:
www.crowdproperty.com/apply
CROWDPROPERTY
together we build

Why Are Banks Blocking Cryptocurrencies?

By **Marcus de Maria**

Recently, I have been getting a lot of questions regarding banks and their blocking of cryptocurrency exchanges. In June, Binance found itself on the receiving end of a formal warning from the FCA (Financial Conduct Authority) and were banned from operating in the UK. This was due to the FCA believing that Binance was not operating within the right guidelines and people were using the exchange to engage in illegal activity. Whilst this was news, this is not a new thing for banks to do. Back in 2018, Lloyds Bank and Virgin Money blocked all crypto purchases via their credit cards.

Although Binance has come under scrutiny, this is not true for all exchanges. For example, Coinbase is going from strength to strength, even being listed in Nasdaq, the American Stock Exchange.

In my opinion, the reason for banks acting in this way is because they are scared. So far this year we've seen cryptocurrencies, such as Bitcoin, reach a new all-time high price and more institutional buy-ins from major companies. The exposure of cryptocurrencies has also skyrocketed this year with it being not only a hot topic in the financial world but in popular culture thanks to the likes of Elon Musk.

Banks are also at risk of losing money due to the decentralised monetary system cryptocurrencies are building. DeFi (Decentralised Finance) is a concept that involves traditional financial transactions that take place on the blockchain. The 'blockchain' is the digital public ledger that is duplicated and distributed across thousands upon thousands of computer networks.

Already companies such as Tesla and Paypal are allowing users to purchase goods and services with their cryptocurrencies, which means that banks will not make money from these transactions. Until banks are ready to embrace this monetary revolution, they will always be hesitant about cryptocurrency exchanges. Many banks view the blockchain as a direct competitor but a few, such as JP Morgan and Goldman Sachs, want to benefit from the crypto space.

Whilst this might seem like bad news, it is good news for us. Although the industry is still in its infancy and constantly evolving, it is difficult to predict where things are headed long term but as we see companies such as Tesla and PayPal getting involved, we can expect much of the same in the coming months.

There is even talk of more institutional adoption. Some experts predict that bigger, global corporations could jump-start this in the latter half of 2021. Amazon has recently sparked rumours that it will be accepting cryptocurrencies, as they posted a job vacancy for a 'Digital Currency and Blockchain Product Lead'. With more institutions adopting cryptocurrency and increasing more everyday use, this could have an impact on crypto prices.

In summary, the banks want to block cryptocurrencies because they are scared of their potential and the lack of regulations. We do expect there to be more discussions and decisions made around legislation in the coming months. For example, the recently proposed legislation could make it easier for the IRS to discover tax evasions when it comes to cryptos. Once there are more regulations and the banks embrace this new monetary system, the potential for cryptocurrencies exchanges could be limitless.

Marcus

Find out more at

https://www.thelunchtimetrader.com/ypn

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)
DPC	Damp proof course
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)
MHCLG	Ministry of Housing, Communities & Local Government
MVP	Minimum viable product
NALS	National Approved Letting Scheme
NICs	National Insurance contributions
NICEIC	National Inspection Council for Electrical Installation Contracting
NLA	(former) National Landlords Association, merged with RLA to become NRLA
NRLA	National Residential Landlords Association
OIEO	Offers in excess of

OMV Open market value

ONS Office for National Statistics

OTA Online travel agent

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 1,500banks, building societies, credit unions, insurers andmajor 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

Reserved Matters A planning term: outstanding details of an outline planning approval to be resolved by a separate "reserved matters" application, see https://www.planningportal.co.uk/info/200126/applications/60/consent_types/6 for details.

RGI Rent guarantee insurance

RICS Royal Institute of Chartered Surveyors

RLA (former) Residential Landlords Association, merged with NLA to become NRLA

RoCE Return on Capital Employed

ROI Return on Investment

RP Registered Proprietor, refer ring to the name on the title of a property Land Registry

RSJ Rolled-steel joist – steel beam

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:

Prescribe the nature of development

Compensate for loss or damage created by a development

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

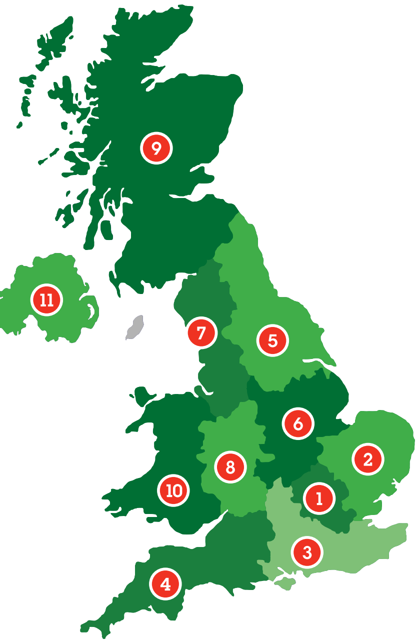
UC Universal credit

UKALA The UK Association of Letting Agents

USP Unique selling point

VOA Valuation Office Agency

NETWORKING EVENTS



Welcome to the Your Property Network directory of networking events near to you.

Some events are back to inperson but some remain online, so please check with the event before attending.

1

Kensington pin
2nd Wednesday of the month
Hosts: Abs and Adam Hassan
www.kensingtonpin.co.uk

Sutton pin 2nd Thursday of the month Hosts: Peter and Johanna Lawrence **www.suttonpin.co.uk**

Clapham pin
1st Tuesday of the month
Host: Paul Trowell
www.claphampin.co.uk

Canary Wharf pin
1st Thursday of the month
Host: Martin Skinner
www.canarywharfpin.co.uk

Croydon pin 3rd Wednesday of the month Host: Elsie Ofili
www.croydonpin.co.uk

PPN Blackfriars Crown Plaza, 19 New Bridge Street, London, EC4V 6DB **Host:** Kevin McDonnell
progressivepropertynetwork.co.uk/blackfriars

PPN Stratford International
18/10/2021 Stratford Circus Arts Centre, Theatre Square, Stratford, London, E15 1BX
Host: Motiul Islam
progressivepropertynetwork.co.uk/stratfordinternational

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

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

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
sel@croydonpropertymeet.com

Wandsworth-Property-Group
Love Property in N1 Meetup Group
1st Thursday of the Month
The Islington Company 97 Essex Road N1 2SJ
Host: Vaida Filmanaviciute
www.meetup.com/Love-Property-in-N1-Meetup-Group

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/Central LondonPropertyNetwork

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

Female Property Alliance
3rd Tuesday of every month
Doubletree Victoria Bridge Place SW1V 1QA **Host:** Bindar Dosanjh
http://femalepropertyalliance.co.uk

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/

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

Developers Network Knightsbridge
2nd Thursday of the month
www.whiteboxps.com/developersnetwork

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

Premier Property Club Wembley
4th Wednesday of each month
Holiday Inn Wembley Empire Way Wembley HA9 8DS
Founder: Kam Dovedi
premierpropertyclub.co.uk/wembley

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

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

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

Rent 2 Rent Live! - Tower Hill
2nd Monday of every month
The Tower Hotel, St Katharine's Way, London, E1W 1LD **Host:** Steve Curtis
rent-2-rent-live.eventbrite.co.uk

Premier Property Club Online
2nd Tuesday of every month starting at 7pm

Premier Property Club - Croydon
1st Tuesday of Each Month
Jurys Inn Croydon Wellesley Road London CR0 9XY
Founder: Kam Dovedi
premierpropertyclub.co.uk/croydon

2

Norwich pin 2nd Tuesday of the month Host: Chris Jones
www.norwichpin.co.uk

Cambridge pin 4th Thursday of the month Host: Christine Hertoghe
www.cambridgepin.co.uk

Essex pin 3rd Tuesday of the month
Host: Reegan Parmenter
www.essexpin.co.uk

PPN Ipswich
Ufford Park Hotel, Melton, Woodbridge, IP12 1QW
Host: Halstead Ottley
progressivepropertynetwork.co.uk/ipswich

PPN Brentwood
Holiday Inn, Brook Street, CM14 5NF **Hosts:** Sarah and Tony Harding
progressivepropertynetwork.co.uk/brentwood

Colchester Property Circle
2nd Thursday of each month - 7.30pm
The Greyhound Pub, High Street, Wivenhoe CO7 9AH **Host:** Phil Sadler
https://bit.ly/2Kld96t

Essex Property Network
2nd Tuesday of the Month
Holiday Inn Brentwood, CM14 5NF
Host: Cyril Thomas
www.essexpropertynetwork.co.uk

Harlow Property Network in association with Premier Property Club 2nd Thursday of Every Month
The Day Barn, Harlow Study Centre, Netteswellbury Farm (off Waterhouse Moor), Harlow, Essex, CM18 6BW.
myproperty.coach

Developers Network Cambridge
3rd Wednesday of the month
www.whiteboxps.com/developersnetwork

3

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

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

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

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

Surrey pin 3rd Thursday of the month
Hosts: Karen Buckley and Dominic Beecheno www.surreypin.co.uk

Reading pin
1st Tuesday of the month
Hosts: Stephen and Julia Hollings
www.readingpin.co.uk

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

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

Portsmouth pin
3rd Wednesday of the month
Host: Tom Jeffes
www.portsmouthpin.co.uk

J6 Property Professionals & Investors Meet
2nd Tuesday of the month
Aston Bond solicitors Windsor Crown House 7 Windsor Road Slough SL1 2DX
Host: Manni Chopra
www.j6propertymeet.co.uk

The Property Vault
3rd Monday of the month
Eastgate 141 Springhead Parkway Northfleet DA11 8AD **Host:** Dan Hulbert and Amy Rowlinson
www.thepropertyvaultuk.com

Surrey Property Exchange
2nd Monday of the Month
Holiday Inn Egerton Road Guildford GU2 7XZ
Host: Richard Simmons
www.surreypropertyexchange.co.uk

Premier Property Club - Kent
2nd Tuesday of each month
Castle View Forstal Road 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

Property Expert Network Event (PEN) Solent View Room at Pyramids, Clarence Esplanade, Portsmouth, PO5 3ST

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

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.

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

Hampshire Property Network
2nd Wednesday of every month
The Solent Hotel, Whiteley, PO15 7AJ
Hosts: Mark Smith and HPN Team
www.hampshirepropertynetwork.com

Mid Surrey Wealth Investing Network 2nd Wednesday of every month Sutton United Football club, Gander Green Lane Sutton SM1 2EY **Host:** June Cruden

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

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

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

PEN Kent
1st Monday of every month, 7pm till 10pm Tudor Park Marriott Hotel & Country Club, Ashford Road, Bearsted, ME14 4NQ
https://bit.ly/2N3BLkM

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

4

Bournemouth pin 2nd Tuesday of the month
Host: Max Noble
www.bournemouthpin.co.uk

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

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

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

Salisbury pin 3rd Thursday of the month
Hosts: Malcolm and James White
www.salisburypin.co.uk

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

PPN Bristol 21/10/21
Village Hotel- Bullfinch Close, Filton, Bristol BS34 6FG **Hosts:** Paul Duval & Paul Bennett
progressivepropertynetwork.co.uk/bristol

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

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

Torbay Free Property Meet
2nd Tuesday of the month
Imperial Hotel Torquay, Parkhill Road, Torquay TQ1 2DG (currently online) **Hosts:** Ed & Helen Akay www.facebook.com/torbayproperty

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

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

5

Harrogate pin 1st Wednesday of the month
Host: Diane Greenwood www.harrogatepin.co.uk

Leeds pin
4th Wednesday of the month
Host: David Dixon www.leedspin.co.uk

Hull pin 2nd Thursday of the month
Host: Neil Brown www.hullpin.co.uk

Great North pin 2nd Tuesday of the month
Hosts: Mark Fitzgerald and Tim Ives
www.greatnorthpin.co.uk

York pin 3rd Wednesday of the month
Hosts: MikeQ and Olga Hainsworth
www.yorkpin.co.uk

PPN Sheffield Mercure Hotel, Britannia way, Catcliffe, Rotheram, Yorkshire, S60 5BD
Host: Kevin McDonnell
progressivepropertynetwork.co.uk/sheffield

PPN Leeds 12/10/21 Hilton Hotel, Neville Street, Leeds LS1 4BX **Hosts:** Natalie Bailey & Rupert lowe
progressivepropertynetwork.co.uk/leeds

PPN Humberside 28/10/21
Barton Town Cricket Club, Marsh Lane, Barton Upon Humber, North Lincolnshire, DN18 5JD
Host: Heidi Mobbs
progressivepropertynetwork.co.uk/humberside

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups
Leeds Dakota Deluxe Hotel, Russell Street, Leeds LS1 5RN

Developers Network Leeds
4th Thursday of the month
www.whiteboxps.com/developersnetwork

Developers Network North East
Either 4th Wednesday or Thursday of the month
www.whiteboxps.com/developersnetwork

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

6

Leicester pin
1st Thursday of the month
Host: Gary Sandford
www.leicesterpin.co.uk

Milton Keynes pin
3rd Wednesday of the month
Host: Reemal Rabheru
www.miltonkeynespin.co.uk

Nottingham pin
3rd Tuesday of the month
Host: Spike Reddington
www.nottinghampin.co.uk

Luton pin **4th Tuesday of the month**
Host: James Rothnie
www.lutonpin.co.uk

Northampton pin **1st Thursday of the month** **Host:** Amelia Carter
www.northamptonpin.co.uk

Watford pin
2nd Thursday of the month
Hosts: Shack Baker and Waseem Herwitker **www.watfordpin.co.uk**

Lincoln pin
4th Thursday of the month
Hosts: David Dixon and Paul Hastings
www.lincolnpin.co.uk

PPN Northampton
Hilton Hotel, 100 Watering Lane, Collingtree, Northampton, NN4 0XW
Host: Kim Hendle
progressivepropertynetwork.co.uk/northampton

PPN Milton Keynes 07/10/21
progressivepropertynetwork.co.uk/milton-keynes

UK Property Network Leicester
2nd Tuesday of the Month
The Field Head Hotel Markfield La Markfield Leicestershire LE67 9PS
Hosts: Rachel Knight & Adam Bass
www.meetup.com/UKPN-Leicester

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

7

Liverpool pin
4th Thursday of the month
Host: William Poterfield
www.liverpoolpin.co.uk

Chester pin
2nd Thursday of the month
Host: Michelle Cairns
www.chesterpin.co.uk

PPN South Manchester 24/06/2021
Pinewood on Wilmslow, 180 Wilmslow Road, Handforth, Cheshire, SK9 3LF **Host:** Mike Chadwick
progressivepropertynetwork.co.uk/event-south-manchester

PPN Liverpool
Marriott Hotel, One Queen Square, Liverpool, L1 1RH **Hosts:** Andrew Budden & Alison McIntyre
progressivepropertynetwork.co.uk/liverpool

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

Warrington Property Investors' Meet Up **3rd Tuesday of the month from 7pm-9pm** Olympic Park Unit 7 Olympic Way 1st Floor Birchwood Warrington Cheshire WA2 0YL (free parking)
Hosts: Patricia Li and Michael Hopewell
www.meetup.com/Warrington-Property-Investors-Meetup/

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups

Liverpool Punch Tarmey's Liverpool 31 Grafton St Liverpool L8 5SD

Manchester The Bridge Street Tavern 58 Bridge Street M3 3BW

Connect property network
1st Wednesday of the month
Wychwood Park Hotel, Wychwood Park, Crewe, CW2
Hosts: Daniel Hennessy and Scott Williams
www.connectpropertynetwork.co.uk

Kieba Property Meet
2nd Monday of the month
Crabwall Manor Hotel & Spa, Parkgate Road, Chester, CH1 6NE
Hosts: Kieran & Dawn Toner - Kieba Property Ltd
www.kiebapropertymeet.co.uk

8

Black Country pin **4th Wednesday of the month**
Host: Philip Hunnable
www.blackcountrypin.co.uk

Worcestershire pin **1st Wednesday of the month**
Hosts: Andy and Karen Haynes
www.worcestershirepin.co.uk

Birmingham Central pin **1st Thursday of the month**
Interim host: Andy Ellard
www.birminghamcentralpin.co.uk

Birmingham pin **3rd Thursday of the month**
Hosts: Mark and Christine McAleenan
www.birminghampin.co.uk

Stoke pin **2nd Wednesday of the month**
Host: James Rogers
www.stokepin.co.uk

PPN Birmingham
Members Club House Edgbaston Priory Club Sir Harry's Road Edgbaston Birmingham B15 2UZ **Hosts:** Kirsty Darkins, Stephen Fryer & Chris Taylor
progressivepropertynetwork.co.uk/birmingham

PPN Leamington Spa 20/10/21
The Saxon Mill, Coventry Road, Guys Cliffe, Warwick, Warwickshire, CV34 5YN **Host:** Mark Potter
progressivepropertynetwork.co.uk/leamingtonspa

PPN Wolverhampton
The Cleveland Suite, Wolverhampton Racecourse, Gorsebrook Road, WV6 0PE **Hosts:** Liam McCullough & Joe Lane
progressivepropertynetwork.co.uk/wolverhampton

Great Property Meet Warwickshire **3rd Monday of the month** Dunchurch Park Hotel & Conference Centre Rugby Road Dunchurch, Warwickshire, CV22 6QW
Host: Andrew Roberts
www.GreatPropertyMeet.co.uk

Saj Hussain's Property Meet
3rd Tuesday of every month (except August & December) - 6pm Novotel Hotel, 70 Broad Street, City Centre, Birmingham B1 2HT
https://www.sajhussain.com/networking

THE PROPERTY HUB
1st Thursday of the Month
http://thepropertyhub.net/meetups

Birmingham
The Lost and Found 8 Bennetts Hill Birmingham B2 5RS

Developers Network Birmingham
4th Tuesday of the month
www.whiteboxps.com/developersnetwork

9

Glasgow pin **2nd Tuesday of the month** **Speaker:** James Edwards **Host:** Arshad Ali
www.glasgowpin.co.uk

10

PPN Cardiff Village Hotel in Cardiff, 29 Pendwyallt Road Cardiff CF14 7EF
Hosts: Sean Forsey & Phill Leslie
progressivepropertynetwork.co.uk/cardiff

11

Belfast pin **1st Tuesday of the month**
Host: Kevin Armstrong **www.belfastpin.co.uk**

PPN Belfast National Football Stadium at Windsor Park Irish FA, Donegall Ave, Belfast BT12 6LW **Hosts:** Pete Lonton & Danielle Bell
progressivepropertynetwork.co.uk/belfast

Belfast Property Meet **1st Thursday of the Month**
The Mac Theatre St. Anne's Square Belfast
Host: Chris Selwood **www.belfastpropertymeet.co.uk**

YPN AND CARBON BALANCING

Since July 2021, Your Property Network magazine has used carbon balanced paper.

What does this mean?

In short, we're greener. And we're over the moon about it!

Thanks to the efforts of our printers Pensord working with the World Land Trust, we are able to reduce the carbon impact of publishing the physical copy of your favourite property magazine. It means we have reduced our carbon footprint and impact on climate change.

WORLD LAND TRUST™
www.carbonbalancedpaper.com
CBP007531

To make it real and translate this into terms we can all understand, the carbon balancing on a recent issue is equivalent to:

- **Approximately 3,500 car miles neutralised**
- **Approximately a third of a car taken off the road**
- **Approximately three quarters of the way round Britain's coastline**
- **Approximately one flight from London to New York**

Every single bit helps when it comes to preserving the environment for our own and future generations.

You can find out more about carbon balanced paper and carbon balanced offsetting on the World Land Trust website.

Subscribe to a greener, more environmentally friendly YPN magazine!


CERTIFICATE

THIS IS TO CERTIFY THAT

by using Carbon Balanced Paper for Your Property Network July 21

Your Property Network

has balanced through World Land Trust the equivalent of

1,552kg of carbon dioxide

This support will enable World Land Trust to protect

1,086m² of critically threatened tropical forest

Issued on 29/06/2021 - Certificate number CBP007531

Presented by Denmaur Paper Media

World Land Trust's Carbon Balanced project sites offset emissions through the protection of tropical forest under imminent threat of deforestation and degradation. For further information on the land area preserved through your use of Carbon Balanced Paper please visit www.carbonbalancedpaper.com and www.worldlandtrust.org/what-we-do/carbon-balanced

WORLD LAND TRUST™
www.carbonbalancedpaper.com

DR JONATHAN BARNARD, CHIEF EXECUTIVE, WLT
Blyth House Bridge Street Halesworth Suffolk IP19 8AB
Registered Charity 1001291

WORLD LAND TRUST
www.worldlandtrust.org

As the current situation is changing frequently - some auctions are moving online. Please check the EIG website for the latest info.

UPCOMING AUCTIONS

Uneek Homes **1-Oct-21**
12:00 Online Auction

Halls Shrewsbury - Head Office
3-Oct-21 15:00 Online Auction

Smart Property Sales **3-Oct-21**
18:00

Savills **5-Oct-21** Online Auction

Lambert Smith Hampton (National)
6-Oct-21 16:30

Hair & Son **7-Oct-21** 15:00 Online Auction

Online Property Auctions Scotland
7-Oct-21 15:00

Barnard Marcus **12-Oct-21**
Online Auction

Kivells Auctions **13-Oct-21**
19:00 Lifton, Strawberry Fields, Lifton, PL16 0DE

Auction Estates **14-Oct-21**
12:00 Nottingham Racecourse, Colwick Road, Nottingham, NG2 4BE

Auction House North West
14-Oct-21 13:00 Online Auction

Auction House Notts & Derby
14-Oct-21 14:00 Live Stream

Auction House Robinson & Hall
14-Oct-21 14:30 Venue 360, 20 Gipsy Lane, Luton, LU1 3JH

Brown & Co **14-Oct-21** 12:00

Greenslade Taylor Hunt Online
14-Oct-21 Online Auction

McHugh & Co **14-Oct-21**
9:00 Online Auction

SDL Property Auctions Knight Frank
15-Oct-21 14:00

BidX1 **16-Oct-21** 9:00 Online Auction

Auction House Manchester **19-Oct-21**
14:00 Live Stream

Dawsons **19-Oct-21** 12:00

Auction House Copelands
20-Oct-21 12:30 Live Stream

Auction House East Anglia
20-Oct-21 11:00 Online Auction

Auction House West Yorkshire
20-Oct-21 14:00 Live Stream

Bond Wolfe
20-Oct-21 8:30 Live Stream

Hollis Morgan
20-Oct-21 18:00 Live Stream

Pugh & Company
20-Oct-21 9:00 Online Auction

The County Property Auction
20-Oct-21 Live Stream

Venmore Auctions
20-Oct-21 13:00 Online Auction

Auction House Cumbria
21-Oct-2112:00 Live Stream

Network Auctions
21-Oct-21 10:00 Online Auction

Paul Fosh Auctions
21-Oct-21 17:02 Online Auction

Sutton Kersh Auctions
21-Oct-21 12:00

Symonds & Sampson LLP
22-Oct-21 12:00 Live Stream

Butters John Bee **25-Oct-21**
18:30 Live Stream

Auction Agent **26-Oct-21** 12:00

Auction House Essex & Kent
26-Oct-21 12:00 Live Stream

Sharpes **26-Oct-21**
18:00 Online Auction

Town & Country Property Auctions London **26-Oct-21** 12:00 Online Auction

Auction House London **27-Oct-21**
10:30 London Marriott Hotel, Regents Park, 128 King Henrys Road, London, NW3 3ST

Durrants **27-Oct-21**
15:00 Online Auction

Phillip Arnold Auctions
27-Oct-21 12:00 Live Stream

Regional Property Auctioneers
27-Oct-21 14:00 Online Auction

SDL Property Auctions Knight Frank
27-Oct-21 Online Auction

Town & Country Property Auctions Birmingham **27-Oct-21**
12:00 At the Auctioneer's Offices

Agents Property Auction
28-Oct-21 Online Auction

SDL Property Auctions National
28-Oct-21 10:30 Live Stream

Strettons **28-Oct-21** 12:00 Live Stream

Town & Country Property Auctions Wrexham **28-Oct-21** 18:30St. Davids Park Hotel, St. Davids Park, Ewloe, CH5 3YB

O'Donnellan & Joyce **29-Oct-21**
12:00 Online Auction

GUGB GET UP GIVE BACK 2019 PLATINUM FUNDRAISER

PROPERTY ENTREPRENEUR®

PART OF THE PPN UK GROUP

2018 ENTREPRENEUR OF THE YEAR

HEALTH WEALTH LIFE BY DESIGN

SOLD OUT IN RECORD TIME

- ✓ Unique + Proven
- ✓ 12 Month Programme
- ✓ The Belfry Birmingham
- ✓ Start, Systemise & Scale
- ✓ £12,500 + vat
- ✓ Only 60 Places Available
- ✓ Oversubscribed every year since 2013

HALL OF FAME

SHIV HARIA - LIFESTYLE PROPERTY PEOPLE
FROM 5 DEALS A YEAR AT £2.5K EACH TO 60 AT £10K+
LISTEN NOW

HALL OF FAME: ADAM GOFF - "RETIRE YOUNG, RETIRE WEALTHY"
RETIRED AT 37
LISTEN NOW

RACHAEL DAVIS - "FIRST HOLIDAY IN MY LIFE DOING ZERO WORK"
FROM CORPORATE MACHINE TO LIVING THE DREAM
LISTEN NOW

HALL OF FAME: MR DAN NORMAN
FROM £0 TO £126,000 IN 12 WEEKS
LISTEN NOW

LISTEN OR WATCH NOW AT WWW.PROPERTY-ENTREPRENUER.CO.UK & ON YOUTUBE

ARE YOU THE NEXT MARKET LEADING PROPERTY ENTREPRENEUR?

SUBMIT YOUR APPLICATION NOW

www.Property-Entrepreneur.co.uk

intuit 100Up 2012/13 · Young Entrepreneur of the Year 2013 · 2013 PROPERTY MASTERMIND 11 · NBS 2014 Entrepreneur In Residence · IoD 2015 Awards · GUGB 2019 Platinum Fundraiser · 2018 Entrepreneur of the Year

OVERSUBSCRIBED EVERY YEAR SINCE 2013