

Making sense of property investment

PropertyHub

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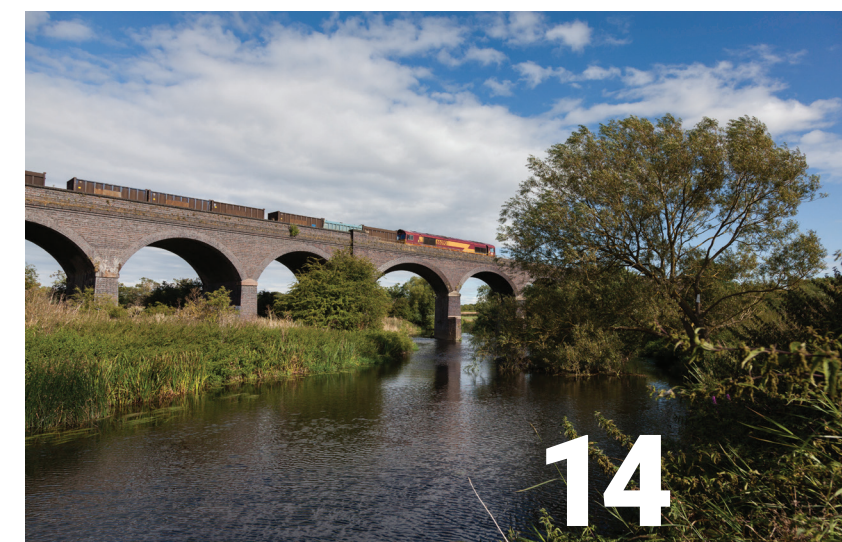


52 ways

To become a better
investor in 2024

(one for every week of the year)




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NEWS

05

Inside the Hub

Your roundup of what's been going on across the channels

06

Market Focus

Must-read market news to keep you in the loop

BEHIND THE HEADLINES

08

Crisis point

The current housing crisis has been decades in the making

HOW I GOT HERE

10

"I'm just getting started"

Raj Bhatt has tried his hand at almost every kind of property strategy over the past 18 years

LOCATION FOCUS

14

All you need is Lough'

Loughborough is moving out of the shadow cast by its bigger neighbours

Issue 44 January/February 2024

Inside

COVER STORY

24

52 ways to become a better investor

Actionable tips to see you through the year

INVESTOR STORIES

20

Providing refuge

Dr Ana Attlee is on a mission to make the world a better place, one property at a time

30

"Rich Dad, Poor Dad is basically my life"

Joe Davies' student side hustle turned into a multi-million pound business

COMMENTARY

46

Can we trust predictions?

Is there any point trying to predict what lies ahead?

42

Why mindset matters

Are you a pessimist or an optimist?

49

What's your 2024 game plan?

Success comes easier when you have a plan

INDUSTRY INSIGHT

34

Guide to: Independent Legal Advice

Everything you need to know about ILA

38

Park life

Parking can be deal-breaker for tenants

THE LAST WORD

50

What I've learned

Investor and lettings business owner Stephanie James has the last word



Welcome



Rob Bence (left) and Rob Dix (right)

There's always something new to learn in property – that's what makes it so exciting. This issue we've put together a list of 52 ways to become a better property investor – one for every week of 2024.

Even though we're involved in property every single day we don't pretend to know it all. That's why we asked our readers to help us

come up with a list that will help you supercharge your year. They are small ideas, but ones that will result in a meaningful impact over the long term.

It's the time of year when everyone – us included – is making predictions, but are they ever accurate? Rob D shares his views on page 46.

Elsewhere in this issue Derek

Hughes tells us how an unexpected event made him change his investor mindset, Joe Davies recounts his real-life *Rich Dad, Poor Dad* story, and we find out how Ana Attlee is driving positive change in the property sector.

Happy reading!

Rob and Rob

Rob Bence is CEO and co-founder of Property Hub and Portfolio and co-host of the award-winning Property Podcast. He's been investing in property for almost two decades.

Rob Dix has written extensively about property investment for the past seven years. His books, including his latest release *The Price Of Money*, *The Complete Guide To Property Investment* and *How To Be A Landlord*, are Amazon best-sellers with hundreds of five-star reviews.

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Inside the hub

A roundup of what's going on across our hubber channels



ON SCREEN

The property market has changed. Strategies that worked well in the past could prove to be a recipe for disaster this year. In this YouTube video Rob Dix breaks down the strategies he thinks are dead and buried, those that are past their prime and some that are fine, but are struggling right now.

youtube.com/propertyhubuk

IN EMAIL

Rob Dix will be back with his weekly Property Pulse newsletter (which you can sign up to using the link below). We can't promise the jokes won't make you cringe, but we can promise there will be plenty of expert insights to get your year off to a good start.

propertyhub.net/news

ON AIR

January will be a busy month over on The Property Podcast. If you're pondering where to invest this year, then hang fire. The Robs will be revealing their 2024 hotspots and making their predictions for 2024. Plus, we've got some special bonus content planned for you.

propertyhub.net/podcast

IN PRINT

Richard in Carlisle wrote to us to ask: "I have £25,000-£30,000 to invest. In the current climate would you recommend a buy-to-let or a flip?" Read our answer in our *Sunday Times* column, where we answer two reader questions each week, or submit your own question via the link below.

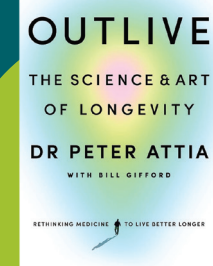
propertyhub.net/sundaytimes

HUB EXTRA

The Robs rounded up their favourite resources of the year on The Property Podcast in December and one they both listed was this book by Dr Peter Attia. The Canadian-American physician is known for his work in longevity medicine and this book explores the science of not just prolonging life, but also prolonging "aliveness".

"It's not about supplements or trendy cold plunges, it's about doing the basics. So, for me, it cut through a lot of the complexity in this area and got me thinking about what I want to be able to do – not today – but in 30 years' time," said Rob Dix.

If one of your New Year's resolutions is to improve your health, then *Outlive: The Science and Art of Longevity* could be a good place to start.



Market focus

The latest news and developments from across the property market

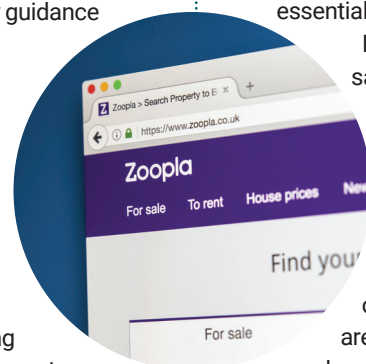
ON THE LIST

Trading Standards has updated rules on the minimum amount of information to be included in property listings.

It has published new guidance for landlords and sellers about the 'material information' required when selling or renting a property so consumers can make "an informed transactional decision".

The asking rent or price, deposit (lettings) or tenure (sales; including detail of any inescapable costs, such as service charges, ground rents, estate rent charges), council tax banding/

rates, physical characteristics of the property, number and type of rooms, utilities information and parking are all essential.



Details about any building safety issues, restrictions, easements, flooding risk or coastal erosion, planning permission considerations, accessibility adaptations and coal or other mining issues are also required, where relevant.

The guide states this information need to be supplied "at the earliest

reasonable opportunity" to help reduce the chance of the "property transaction falling through, reduce transaction times and save you money".

The rules were updated following consultation with industry stakeholders including Rightmove, Zoopla, OnTheMarket and PropertyPal.

A statement from National Trading Standards Estate and Letting Agency Team said: "Buyers or renters will see new data fields appearing on portals and any left empty will be flagged and will have a link explaining what's missing. This will help consumers understand the benefits of being fully informed before embarking on moving home."

COVERING THE COSTS

Three out of four buy-to-let (BTL) landlords (76%) raised their rents in 2023, according to a survey by BTL mortgage lending platform Landbay.

Over half of landlords (51%) said it was to offset rising mortgage costs, while 20% said their letting agent had advised them to raise the rent.

A small percentage (8%)

said it was down to property maintenance, repairs and upgraded work to improve an EPC rating.

The survey showed regional variances in sentiment over future rent rises. In the South (excluding London), 89% of landlords said they are contemplating rent rises, with 7% still on the fence.

Up North, the figure

dipped to 62%, with 35% undecided. The Midlands remained in the middle, with 78% pondering an increase, and 22% in the realm of uncertainty. In London, where property prices are the nation's peak, 65% are mulling over a hike, with 10% unsure.

Landbay sales and distribution director Rob Stanton said: "Higher

mortgage rates when remortgaging is obviously a contributory factor to rent rises and is understandable as landlords need to cover their costs.

"For those landlords who haven't or don't intend to raise rent, it is generally because their mortgage costs are low or they have long standing and/or good tenants they want to keep."

IN BRIEF



76%
of landlords raised their rents in 2023
(Landbay)



£1,201
UK average rent
(Zoopla, December)



£85.6BN
Annual rent bill,
Great Britain, 2023
(Hamptons)



£355,177
Average new seller asking price
(Rightmove, December)

OCCUPATION CONTRACT

The Welsh Government has amended the Occupation Contract template documents, which replaced Assured Tenancies in 2022.

The wording in the documents has been updated to make it clear landlords can issue an Occupation Contract before a tenant moves in.

Since it is only the explanatory information that's been updated, landlords in Wales don't have to issue a statement of variation to contract holders for this change.

However, any new contract will need include the new information or risk being incomplete or incorrect.

James Wood, the National Residential Landlord Association's (NRLA) head of policy said further changes are on the horizon: "When the

Renters (Reform) Bill becomes law, it will add new fundamental terms to Occupation Contracts in Wales. These terms cover rules around discrimination against families and tenants in receipt of benefits.

"When this does become law, all landlords in Wales will need to issue a statement of variation and update their contracts."



PARALLEL REDRESS ROUTES

The existing Housing Ombudsman Service is the government's "preferred candidate" for handling landlords' redress once the Renters (Reform) Bill becomes law, according to property website LandlordZone.

Under the Bill landlords will be required by law to join (and pay for) an ombudsman service.

The Housing Ombudsman Service currently deals with complaints about social housing, including councils' role as social landlords.

This means two parallel redress routes would be available to tenants. Tenants who rent via an agent would continue use the separate scheme that agents must already belong to (such as the Property Redress Scheme or The Property Ombudsman), while tenants who rent directly would use the new scheme.

A statement from the Department of Levelling Up, Housing and Communities said: "We intend for our Ombudsman Service to complement the existing housing redress landscape. This will ensure that tenants, regardless of whether they rent socially or privately, have high-quality, consistent access to redress where they have a legitimate complaint about their home."



Crisis point

The current housing crisis has been decades in the making. Neil Cumins examines how the next general election offers a chance to finally resolve some of the UK's biggest property challenges

“Our goal is to make Britain the best housed nation in Europe.” So concluded the Conservative Party’s 1983 general election manifesto, which helped to return a majority of 144 seats. Yet four decades on, politicians of all colours have repeatedly failed to tackle supply bottlenecks, inadequate regulation and increasingly complex maintenance needs.

With a general election once again looming on the horizon, is there any prospect of the next Westminster government being able to effect real change on our broken housing market?

Broken Britain

In a vacuum of long-term planning, with 16 housing ministers in just 13 years, the UK’s property sector has malfunctioned at both national and regional levels. Compare My Move data from November suggests someone earning an average London salary would need 18 years to save up a 10% deposit for a typical London home.

Rightmove data shows 25 people wanting to view each rental property across Britain (up from six in 2019), while Capital Economics calculated record levels of migration might have pushed up average rents by 7%. Such statistics are worrying in isolation – collectively, they demonstrate how all-encompassing our housing crisis has become.

“The inconvenient truth is that a whole host of

factors are contributing to the situation we’re in at the moment,” says Lucian Cook, head of residential research at Savills. “For that reason, there really is no silver bullet to solve the housing crisis. Any political party needs to take a holistic approach to dealing with those issues.”

Decades in the making

Like any multi-faceted crisis, the property market’s woes have deep roots. Examples include the hurried assembly of non-standard postwar homes which now require extensive maintenance simply to remain habitable, at a time when repair budgets are under record pressure.

NIMBYs have stifled much-needed housebuilding just as much as land-banking developers, whose focus on profits and dividends led to decades of cost-cutting and diminishing quality – in turn deterring many people from considering new-build properties.

An open-border immigration policy has further decoupled supply and demand, while a lack of suitable housing for elderly people has forced retirees to continue living in larger properties that would be better suited to families.

Such domestic issues have a far wider impact, according to the Chartered Institute of Housing’s head of policy and external affairs, Rachael Williamson. “Decent, secure and affordable homes provide the foundation we all need to thrive, but eight million people in England alone are experiencing some form of housing need, with one in five children living in overcrowded, unaffordable or unsuitable homes. This comes at a huge economic and social cost.”

Among the myriad causes of today’s situation, she singles out supply: “Housebuilding has failed to keep pace with demand for years. At the same time, home ownership and social renting have fallen, while private renting – traditionally a more expensive and less secure tenancy – has increased.”

Undersupply and under-occupation

Newspapers have made landlords a convenient scapegoat for the nation’s housing ills, yet Lucian identifies a far wider problem. “We haven’t been building enough homes of the right type in the right places to meet housing demand. Equally, we don’t make efficient use of the homes that we do have. We have increasingly high levels of under-occupation within the homeownership sector, particularly among people who’ve paid off their mortgage debts. Because you have this fundamental undersupply of homes, it makes the market very responsive to changes in economic conditions.”

Many people are unable to save the deposits needed to own a home, directing them towards a shrinking PRS which is being targeted by politicians oblivious to the spiralling prices that result. Government statistics from 2022 showed the number of PRS landlords fell by 50,000 year-on-year, underpinned by factors like the Renters Reform Bill and soaring mortgage costs. Little wonder rental property prices are at record highs, and still rising – yet landlords offering good-quality long-term properties should be viewed as part of the solution, rather than part of the problem.

Experts agree that a more holistic approach is needed, making housing the centrepiece of future economic planning. “At the Chartered Institute of Housing we’re urging all political parties to commit to a long-term plan for housing which recognises it as the foundation for both wellbeing and growth. The cost-of-living crisis is a cost of housing crisis, and we need political commitment to turn things around,” says Rachel.

This requires politicians to stop focusing on tomorrow’s headlines and start looking beyond their own time in office, without resurrecting self-defeating stopgaps like Help to Buy.

Reprising postwar priorities

“We need a root-and-branch look at the types of housing that’s needed,” says Lucian. He suggests incentivising downsizing, overhauling the planning structure, and supplementing resources in planning departments to accelerate (and improve) decision-making.

“We need to think about housing more as infrastructure – infrastructure fundamental to the successful operation of the country. You’re essentially talking about the kind of effort we put into housing in the postwar period. Now there is a housing crisis in a different form, but in essence, that’s what we need again.

“I don’t think it’s realistic to believe you can change things within the course of a single Parliament,” Lucian concludes. “To make a really significant difference, you need to do this over a much longer period. One of the Labour policies is for a new generation of New Towns, which is a very long-term project. You need some degree of cross-party support, so you don’t end up chopping and changing housing policy emphasis. If you had sufficient political will to prioritise this, you could make significant progress towards it, but whether or not it actually occurs is a very different thing.”

Only a wholehearted commitment to long-term improvement will ultimately increase the likelihood of successfully tackling Britain’s housing crisis.

Raj describes his first development project as an 'amateur adventure'



“I’m just getting started”

Over the past 18 years **Raj Bhatt** has tried his hand at almost every kind of property strategy, from single lets to large-scale development projects

By Natalie Thomas

“**P**roperty is not for the faint hearted,” proclaims Raj Bhatt. If anyone should know, it is him. Since he first started investing in 2005 at the age of 26, he’s thrown himself into property, deciding early on that it was his path to achieving financial freedom and breaking free from his 9-5 city job.

He’s currently adding the finishing touches to a £550,000 commercial to residential conversion in Doncaster, consisting of four flats and one commercial unit, but his projects haven’t always been on such a large scale.

Like many investors, he started small, buying a terrace property within a fifteen-minute drive from where he lived with his parents in Edgware, London, at the time.

Humble beginnings

Back in 2005, Raj was working full-time as a project manager in London and about to marry his wife Perrie. With £25,000 in savings, he faced the choice of buying a car or investing in a property.

Fortunately, Raj’s dad, a property owner himself, urged him to choose property.

His dad might have owned property, but it was no silver spoon story. “From a very young age, my parents taught me that if you want something, you have to work for it,” he says. “My dad used to have a shop when I was 10 years old and I saw how hard he and my mum worked. They both went through hard times, but that sort of instilled in me all of the values I have today,” he adds.

Raj describes his first property refurbishment as an ‘amateur adventure.’ After buying the £157,000 property close to where he lives, he carried out £10,000 of renovation work. He put an ad in the local paper and found a tenant – who subsequently stopped paying rent after six months, leaving him out of pocket. But he didn’t let it put him off. He went on to buy another two more properties in the same area in 2011 and 2012.

New territories

It wasn’t until 2013 that Raj considered investing further afield. He’d had some property training which opened his eyes to opportunities outside his local area. “It changed my mindset. Before the training, I was just focusing on buy-to-let’s (BTLs) close to where I lived. Anything north of Watford was alien to me,” he recalls.

After extensive research, he whittled his search areas down to Northampton, Gillingham and Warrington. In the end he chose to focus on Warrington – 200 miles from where he lived. He remortgaged his portfolio, released equity, and bought a three-bedroom mid-terrace for £85,000, which he converted into a five-bedroom HMO.

At the start of 2014, Perrie and Raj found out they were expecting their first child. With a baby on the way, Raj faced a decision—speed up or slow down. “I need to go all-in now before the baby is born,” he thought.

Raj describes Warrington as his ‘second home’ back then, travelling up on weekends to do viewings every two



INVESTOR FACT FILE

Name: Raj Bhatt

Age: 45

Lives: North West London

Invests in: Luton, Warrington, Doncaster, London

Occupation: property investor

Years investing: 18 years

Strategy: BTLs, HMOs, commercial to residential, property trading

Goal: to dream big

weeks for three to four months, while still working full-time in a high-profile position in banking.

"The first property was the biggest learning curve," he says. "Going through all the regulations, building guidelines, etc. Once I had refinanced and the money was recouped, at that point, I thought: This stuff actually works."

From there, he did another five deals in the space of two years in Warrington, building up a sizable portfolio. He reflects on the chaotic time. "It's hard to see the wood for the trees when you're right in it, when you're knackered and running around like a headless chicken and thinking: 'What am I doing?'"

"But that's when the 'why' comes in. For me, it was about building a future for my family and becoming financially free."

A change of heart

In 2019 Raj moved his attention further afield starting in Doncaster, where he did some more HMOs and branched out into residential to commercial conversions to challenge himself.

He was focused on building his portfolio and had no intention of selling anything but Covid made him switch direction. "As Covid kicked in, I had just finished a fairly large £2m development in Finchley, London," he explains.

The development was a joint venture project and hadn't exactly gone to plan. A fallout between the initial owner and builder had resulted in the builder pouring concrete down the drains, in addition to the discovery of some unsecured debt.

Nevertheless, the project had garnered a healthy return. "I was about to press the button on some other similar-sized projects, then I thought, why not

spread funds across smaller units and try some property trading?

"Over the next 18 months, I bought and sold maybe seven or eight properties, up and down the country," he says.

He discovered he had a passion for it. He'd buy unsold lots at auction and sell them on for a profit. "I remember a conversation with an auctioneer who told me the best time to put in an offer

— even a cheeky one 20% below the asking price — was on the day of the auction on an unsold lot.

"If you think about it, the vendor has spent six weeks leading up to the auction preparing for a sale. I know from experience, if it doesn't sell on the day, you often just want rid of it.

"Luckily, I've got a very good solicitor to review the legal packs and make sure there is nothing untoward in there," he says.



In addition to the Doncaster commercial-to-residential development, he's just finished a new build development in Luton



Next steps

Having sold off properties at various points, Raj still has a healthy-sized portfolio. In addition to the Doncaster commercial-to-residential development, he's just finished a new build development in Luton and continues with property trading.

Looking back, Raj says he sometimes has to pinch himself at how far he has come. You might think he has achieved all he can. On the contrary, Raj says he has just begun.

"I'm just getting started," he quips. "I'd love to get more into new build development and also the industrial space, the building of industrial units — self storage," he says. "In my mind, it's investing but with no tenant problems. With so much development in the cities and people moving into cardboard box-type flats, they need somewhere to store the stuff they can't fit into the flat and will pay for storage," he explains.

He offers some words of encouragement for any investors who might be struggling in the current market. "Rates were around the 4-5% mark when I started; I didn't really think anything of it, though.

"We've had a whole generation of people who have never seen interest rates above 1% and we will never see it again. I'm not discounting that now might be a harder market to work in, but as an investor, my view is that every property will work at a price. So if interest rates are higher, that's all reflected in my offer price," he explains.

He ends with his golden rule; leave emotions at the door. "Sometimes I can get caught up in a building I love, and try to make the numbers work, but if the spreadsheet says no, you have to detach yourself from it and walk away," he says.

HOW I GOT HERE

Investor timeline



2005

Bought first BTL



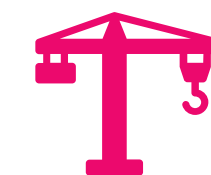
2013

Undertook property training



2014

Started investing in Warrington



2019

First development project



2021

Started property trading

All you need is Lough'

Loughborough is moving out of the shadow cast by its bigger neighbours, as Neil Cumins discovers after visiting the East Midlands

If you asked a hundred property investors to name a great investment location, it's unlikely any of them would give Loughborough as their first answer. Despite one or two notable institutions, this East Midlands market town has historically existed in the shadow of its more famous neighbours.

Yet Loughborough's location is perhaps its strongest attribute, less than half an hour's drive from the East Midlands powerhouses of Nottingham, Derby and Leicester. Including neighbouring conurbations like Shepshed, Loughborough's 110,000-strong population means it's a comparable size to historic cities like Winchester or Carlisle – the latter directly linked to Loughborough along the A6.

The M1 hugs the town's western periphery, before spearing through Hertfordshire en route to north London, making Loughborough an underappreciated location for people needing semi-regular access to the capital.

Enterprising methods

With a history stretching back to the Domesday Book, Loughborough followed the trend of many Midlands towns and cities by growing rapidly throughout the 19th century. In the 20th century, it swallowed up hamlets like Thorpe Acre into sprawling new suburbs.

The northern part of Thorpe



Above:
Loughborough
University campus
Left: town
centre
Far left: the
exterior of All
Saints Parish
church

Acre is now one of the most deprived wards in the East Midlands, though it still outperforms the area immediately southeast of the town centre, which has some of the highest crime rates in the whole of England. The low-rise flats and on-street terraced houses bordering Jubilee Way should be approached with caution.

Pedestrianisation has failed to halt the town centre's ongoing decline, though the markets which have been held here for over 800 years continue to thrive. The local jobs market is stronger than Loughborough's retail offering, with two Enterprise Zone sites and recognised employment clusters in the technology and pharmaceuticals sectors. Two million people live within half an hour's driving distance, and Loughborough's population is expected to grow more than twice as fast as the national average through to 2043. It's also younger than regional or national averages.

Town and country

Despite its burgeoning population and limited housebuilding (barring the



"Loughborough's population is expected to grow more than twice as fast as the national average through to 2043"

Garendon Park project detailed under Sites for Sore Eyes), Loughborough hasn't completely escaped the wider economic slowdown affecting the UK property market.

"Overall, the sales market has been active but subdued this year," says Tom Smith, managing director at Loughborough-based estate agency Smiths. Nonetheless, demand remains strong in the more sought-after parts of town: "The Charnwood Forest villages – Woodhouse Eaves, Swithland and Newtown Linford – are hotspots of activity, as are the north Loughborough

villages like East Leake."

Tom attributes this to "proximity to beautiful countryside, Nottingham and Leicester city centres, and excellent local private schooling." These include Ratcliffe College, Loughborough Endowed Schools and Trent College.

Similar sentiments are expressed by James Cardon, residential sales valuer at John German. "The town offers a diverse range of properties, with the sought-after Forest Side demanding a premium and having bigger family and executive homes. This area is popular with families, as it's slightly further out from the hustle and bustle of the town centre, as well as offering access to the

Loughborough Schools Foundation and ancient woodland at The Outwoods."

Tom concurs: "The Forest Side offers excellent family life with easy access to the beautiful Charnwood Forest, exceptional schooling at Holywell Primary School and good secondary options, and easy access into the town centre."

Access is a recurring theme in any discussion about Loughborough. East Midlands Airport is 10 minutes away, offering flights to over 80 overseas destinations, while it takes as little as 75 minutes by train to St Pancras. "Loughborough has a beautiful train station with on-site parking," says Tom, "and the residential areas around

the station are excellent investment opportunities."

A sporting chance

Loughborough is arguably best known for its university, which is responsible for the youthful population mentioned earlier. A consistent presence in lists of the UK's top 20 research-led universities, Loughborough is consistently rated as the best sports university on the planet by the QS World University Rankings.

Its sprawling 520-acre campus stands a mile west of the town centre, home to more than 18,000 students who collectively make up a quarter of the town's population.

The annual influx of undergraduates inevitably skews the local property market, though HMOs are now limited across Loughborough. Tom advises looking at commercial conversions

or build-to-rent opportunities, rather than trying to acquire a new HMO licence. Even so, he acknowledges the university's status brings opportunities for investors, with excellent yields on offer. Local agent Huntleys report typical gross yields of 5% across many properties in Loughborough.

Studying for success

The university's impact on the local property market has been profound. Cash buyers can acquire studio apartments with shared kitchens in centrally situated student blocks for as little as £35,000, offering an 8% gross yield. It's possible to buy a one-bedroom flat in a private block for less than £100,000, while tired on-street terraces can be acquired for £120,000.

Having increased by 6% in the past year, house prices currently average £270,000, according to Land Registry

SITES FOR SORE EYES

These are the key projects Loughborough investors should be aware of:

● Garendon Park

One of the biggest projects Loughborough has ever seen, Garendon Park will comprise 3,200 homes, a new local centre, two primary schools and 16 hectares of land allocated for employment use. Joining the A512 with the A6, it'll extend Loughborough right up to the M1.

● Loughborough Town Deal

A dozen projects worth over £40m are planned following the award of £16.9m from the UK Government's Towns Fund. Plans include regenerating the Grand Union Canal, where new homes increasingly line its western bank near the Charnwood Water beauty spot.

● Carillon Court

In an attempt to address the excess of retail space within the town centre, the owners of the sprawling Carillon Court shopping centre are considering redevelopment plans that could involve creating new-build flats at the rear of this ideally situated complex.

AREAS OF INTEREST



The best places to invest in Loughborough

- Best for families:**
Forest Side, Woodhouse Eaves
- Best for young professionals:**
Dishley, Shepshed
- Best for students:**
Golden Triangle, Thorpe Acre (south)
- Best for transport links:**
Barrow upon Soar, Shepshed
- Best for yields:**
Burder Street/Ratcliffe Road, Golden Triangle
- Best for capital growth:**
Garendon Park, Forest Side
- Best avoided:**
Thorpe Acre (north), Jubilee Way



Left: Carillon Tower war memorial, Queens Park
Below: A class 66 locomotive freight train crosses Stanford Viaduct

of caution: "As we head into 2024, we are expecting a continuation of the price-sensitive market we have seen for much of this year. Despite seeing more resilience in Loughborough to the market forces that have impacted other areas, the market has moved away from 'best and final offers', with multiple bids on properties now being more of a rarity compared to the post-Covid market. Where houses often sold above their guide price in recent years, we are now seeing offers on average around 4% lower."

This might just be a good time to secure a bargain in a town whose fortunes are undoubtedly on the up. Regardless of short-term economic uncertainties, Loughborough's centrality, world-leading university and burgeoning employment sector are here to stay. Next time you're asked to name a hot property investment location, maybe Loughborough should be your first answer.

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figures. This is considerably higher than Derby's average of £235,000, slightly higher than Nottingham's £255,000 figure and on par with Leicester's average selling price.

"Closer to the town centre, a good portion of the housing stock services the student let market," says James. "Of the currently advertised rental properties within the town, over 90% are listed as student accommodation."

He cites a variety of investment opportunities within Loughborough, ranging from apartments and HMOs to larger family homes: "The most suitable area depends on the target audience. The University is situated towards the west of the town, where surrounding areas such as Sharpley Drive and Old Ashby Road have postwar housing stock that rents very well."

Demonstrating resilience

From an investor's perspective, low prices and enduring demand makes Loughborough's long-term prospects seem rosy. Local agents agree the town has a bright future, though James adds a note



LOCATION FOCUS



THE PRICE IS RIGHT

Below are three examples of properties currently for sale across Loughborough at different budgets:



A chain-free one-bedroom flat with the option of a sitting tenant stands within half a mile of the university. It needs comprehensive modernisation, but already brings in rent of £550pcm.



Another property marketed with a sitting tenant (potentially until December 2024), this compact end-terrace near the town centre has front and rear gardens and two double bedrooms.



Developers seeking a blank canvas will appreciate this modern three-bed semi villa along Hermitage Road. Set within large grounds, it needs extensive modernisation and central heating.

Source: Rightmove



Left: Ana and her youngest child Ella at work at Seedball

Right: one of the streets where Ana has emergency housing

Providing refuge

Social entrepreneur **Dr Ana Attlee** is on a mission to make the world a better place, one property at a time

By Chantelle Dietz



INVESTOR FACT FILE

Name: Ana Attlee

Age: 41

Lives: London

Invests in: North East and Devon

Occupation: investor, developer, conservationist and co-founder of Seedball

Years investing: 7

Strategy: currently expanding emergency housing business. Personally BRR

Goal: to provide even more homes for those in need



If the world needed proof landlords do have compassion, Dr Ana Attlee is it. For the past four years she's been building a portfolio of properties to serve as emergency housing for vulnerable people.

"We house all sorts of people: those fleeing violence, asylum seekers, the homeless... We make sure that everybody gets breakfast, and we work closely with local charities and the council to provide homes in the right areas and give the tenants the support they need," she says.

"Our tenants have usually had a traumatic start, so we just want to make things as comfortable and straightforward for them as possible so they can settle in easily."

Extra special motivation

Ana, a conservationist, property investor and mum of three, was introduced to emergency housing by friends. They had been working in the sector for a while and wanted to set up on

their own in the North East.

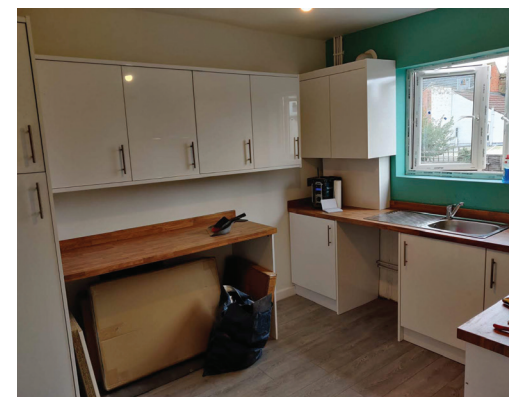
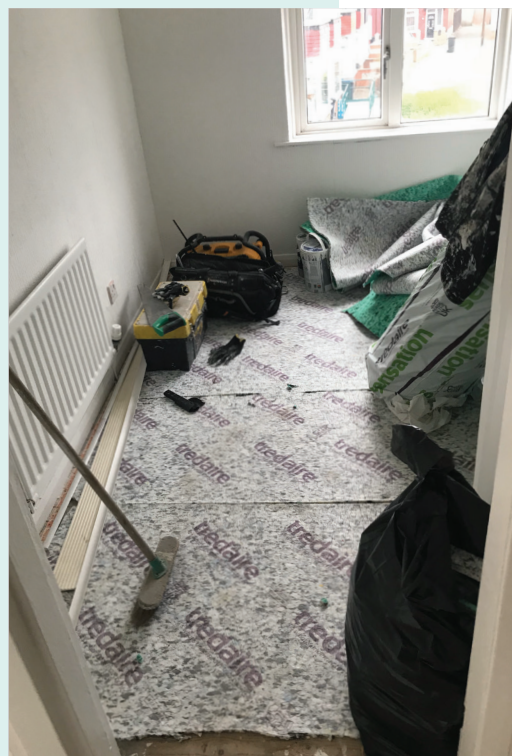
"They asked me if I knew anyone who wanted to invest, so I went off looking for someone and ended up bringing my business partner in and myself."

Ana already had a portfolio of professional buy-to-lets (BTLs), but this was different. "It's nice to be able to provide good quality homes for anyone, but there's that extra special motivation when those tenants are vulnerable."

There's the perception that emergency housing standards are much lower than



Left: one of Ana's emergency housing projects getting a refurb ready for tenants to move in



ordinary rental homes, but Ana says that's not the case. "The council has really strict requirements, which is lovely, because we know we're not only delivering a high-quality home, but we're also making sure it is super safe for everybody."

Some tenants move on quickly, others stay for longer. "We've had victims of domestic violence that have stayed with us for a year until they've got themselves on their feet.

"We also had a homeless couple that stayed in one of our properties for a really long time. When it came the time for them to move out, I ended up putting them in to one of my own private houses.

"It can be hard, especially for homeless people, to integrate back into society because they don't have a reference from a previous landlord. By putting them in our own private houses, we can give them the references they need."

Ana is responsible for growing the business and sourcing new stock, which means she's often on the train up to the North East from her home in London. "I'm a northerner – I grew up just outside York – so it's nice to go back up often and keep that link," she says.

She finds the work extremely satisfying: "It's so rewarding, I can't tell you. It's just such an amazing feeling to be able to build my portfolio up to such a positioning and help people in need."

Seed of an idea

Helping people is as important for Ana as her work to help protect our environment. Her other business,

Seedball, came into existence as a way to help the bees.

She and her business partner Emily were working at Aberdeen University finishing their PhDs when they came up with the idea for wildflower seed balls. Having struggled to grow wildflowers themselves, they came across the work of Masanobu Fukuoka, a Japanese natural farming innovator.

"Fukuoka used seed balls for sowing crops in desert areas with unpredictable rainfall – the clay balls prevented the seeds from being eaten until the rains arrive and seed germination starts. We quickly realised we could apply the same concept to wildflower seeds and help protect the seeds from predators," Ana explains.

Ten years on, they've sold over 30 million Seedballs, but establishing the business in those early days was a hard slog. "We were making everything ourselves. I ended up with health issues which meant I couldn't use my hands, so I couldn't operate the machinery. Plus, I had two-year-old twins to care for, so it was just a disaster," Ana recalls.

"I needed something I could make money from

just by talking, so I could afford to hire someone to replace me. My mother-in-law invited me along to a property course she was attending at the time – she wanted me to help her with the math because I taught statistics.

"I fell in love with it as a way of making the world a better place. I also liked the idea of creating a pension for myself now that I had children."

A BTL a month

After attending a few courses herself, Ana dipped her toe in the water with some rent-to-rents. "I had rented out some rooms while I was doing my PhD and had done a bit of work with the housing people at St Andrews University when I was a researcher there, so I had some experience I could leverage. I also had a property coach and an amazing network of experts there to support me.

"It earned me more money than I'd made for years and meant I could hire someone to replace me in Seedball."

By 2016 Ana was ready to make her first investment. "It was a house in Teesside. It was just such a fantastic deal. It was a £30,000 property on a street where everything was selling for £65,000. It was going to be a joint venture, but my joint venture

partner got nervous and dropped out, so I ended up sourcing on the deal."

Realising she had an eye for a good deal, she spent the next few years sourcing properties and partnering with other investors until she had enough money to start buying on her own. "I sourced about 100 deals in a year, it was literally insane, especially with the babies – I was so tired.

"After that I went mad – I think I bought a BTL every month. Then I went down south and bought HMOs, then I bought a block of flats in Devon.

"I got rid of the rent-to-rents because they were really stressful. I realised managing property is not for me – I get too upset if anything goes wrong in them – so now I have agents running them."

Social entrepreneur

The opportunity to get involved in emergency housing came at just the right time for Ana. She'd gone from not being able to afford 20p spaghetti in Tesco, to having the financial security to make choices that aligned closely with her values. "I've always had this feeling that if you get money and you're a good person, then you can just do more good with it," she says.

Her goal for 2024 is to provide even more homes for those in need. "The demand is really high. We've been buying as fast as we possibly can, but we can't buy enough houses ourselves to meet the demand, so now we're looking for landlords willing to rent to us on a contracted basis."

The next step is to take the model they've created in the North East and expand it. "There are people that need this kind of help everywhere. There's no reason why we can't replicate it throughout the UK and into Europe.

"We have an amazing model with New Chapter. We provide better accommodation than anybody I've seen. We really treat our residents with respect, which sadly isn't always the case out there," she says.

If you have an interesting property case study (good or bad) we'd love to share your story. Email us with some information and photos and we'll get right back to you: magazine@propertyhub.net



52 ways to become a better investor

From pre-screening tenants to installing property plugins here's a year's worth of ways to improve the way you operate in 2024

By Chantelle Dietz

When it comes to setting our goals for the New Year, we tend to overextend our expectations and look for the dramatic changes we can make, believing only big leaps will lead to meaningful outcomes. Yet – in reality – it's the small improvements that make the biggest difference over time.

Sir David Brailsford famously applied this theory to British Cycling when he took over as head coach in 2002. He believed if you make a 1% improvement in a host of tiny areas, the cumulative benefits would be extraordinary.

And he was right. By breaking down everything he could think of that goes into competing on a bike, and improving each element by 1%, he led his squad to win seven out of 10 gold medals available in track cycling at the 2008 Beijing Olympics. To prove it wasn't just a fluke, they went on to match this achievement at the London Olympics four years later.

With this in mind, we asked our readers to share the small improvements they've made to the way they operate as property investors. The result is this list: a

compilation of 52 actionable ideas that have made a big difference for property investors like you – one for every week of the year.

The great thing about investing in property is there's always something new to learn. Whether you're a beginner or have been investing for years, there's something in this list for everyone. Some require more effort than others, but – done consistently – they all have equal potential to make a positive difference to how your year turns out.

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1 Sign up to Landlords National Purchasing Group (LNPG)

For a small annual fee, you get discount from lots of different suppliers, on everything from furniture and appliances to paint and plants. They are usually better than trade prices. (Natasha Mistry)

2 Keep a photo log of viewings

Take a picture of the front door and add the property address to it using the text function on your phone. By doing this you'll be able to recognise which property is which. It helps if you view multiple properties in a day. (Flora Russo)

3 Get friendly with local agents

If they know you're a reliable buyer, they will bring deals straight to you! (Melissa Potente)

4 Measure backwards

Focus on how far you've come rather than fixating on your goals. When you do this, you get to enjoy the progress you're making now rather than yearning for what the future will bring.

5 Use design to maximise your ROI

Allocating a bit more of your budget for interior design will put more pounds in your pocket than a standard grey carpet and white walls approach. (Stephanie James)

6 Find your niche

Niche strategies don't have to be limiting. You can become an expert in a particular field, but still have room to diversify. For instance, you can focus solely on professional HMOs but diversify by buying in different locations.

7 Send a rent due reminder

Give your tenants a heads up via email or text a few days before the rent is due. It will spur them into action and help reduce late payments.

8 Follow up old offers

Reach out to the agent – or even the vendor directly – and let them know you're still interested. More deals fall through than you think, so you could end up getting a bargain if you persevere.

9 Do something every day

Whether it's booking a viewing or listening to The Property Podcast, it will get you closer to your goals.

10 Get a good solicitor

Choosing a solicitor is one of the most crucial decisions you will make. Working with someone who understands the quirks of buy-to-let is essential. Getting this wrong can result in lengthy delays and additional costs. (Nick Sheppard)

11 Don't view properties for the sake of it

Do your homework in advance, speak to agents and sellers to find out as much information as you can. Then, if the deal on paper looks good, go and view the property. (Flora Russo)

12 Set up a business credit card

It's a great way to get cashback and rewards on your business expenses as well as extended payment terms. (Natasha Mistry)

13 Marry the house, date the rate

It's harder to get buy-to-let deals to stack due to interest rates being higher than previous years, but don't let this put you off. The real wealth is in the asset and growth which is why location is key over cashflow. (Natalie Gascoyne)

14 Invest in projects you're interested in

You'll find that you will excel in areas where you have a genuine interest. For example, if you love DIY and getting hands-on with a project, you may find you prefer renovations and flipping over standard buy-to-lets. (Nadeem Raziq)

15 Review your costs regularly

Always revise your forward forecast on a quarterly basis (if not monthly). It will allow you to see what you have coming up (like a refinance or a rent increase) and its impact on future profit. (Sarah Watt)

16 Join an association

Like the National Residential Landlords Association (NRLA). They have an immense variety of resources available, and you can get free telephone advice when you need it. (Natasha Mistry)

17 Don't beat yourself up

Time is a huge healer in property. As long as you can cover your costs across your portfolio, a bad purchase is not the end of the world. Take the lessons with you and keep moving forward. (Sam Jones)

18 Use a refurb appraisal spreadsheet

Always carry a refurb appraisal spreadsheet to viewings. Fill in the cost per unit with your builder or project manager so you can work out the costs before putting an offer forward. (Flora Russo)

19 Value your time

Some properties will 'cost' more of your time than others, so work out if the financial return is worth your energy.

20 Take out portfolio insurance

This is key if you have several properties. You can have one policy with all your properties attached, which means there's just one renewal date. (Natasha Mistry)

21 Use property plugins

Install Property Log or Property Tracker to your browser. They show the property price history as a reduction or increase. (Flora Russo)

22 Diversify

There are so many different avenues within property itself which will allow you to spread your risk. Strategy, area, property type, tenant type all diversify your risk so you aren't at risk of losing it all. (Sarah Watt)

23 Keep project folders for each property

Keep a dedicated folder of information on each if your properties: purchasing info, lending documents, licenses and certificates. This makes it so much easier to quickly refer to when needed. (Melissa Potente)

24 Get a snagging survey

If you're buying a newly built or renovated property then get an independent snagging survey. Even the best-built homes can have problems.

25 Go paperless

Property investment can be extremely document heavy with all the legal formalities and ongoing management. Invest in Google Drive or another cloud-based storage, which can be accessed anywhere. This will also help with systemisation as the business grows. (Natasha Mistry)

26 Leverage a letting agent's knowledge

When considering a potential buy-to-let, put a call in to a local letting agent. They'll be able to tell you what similar properties have rented out for and how quickly they rented.

27 Screen your tenants thoroughly

It will save you a lot of time and headache. If you gut feeling on a viewing says no... then move on to the next. (Sarah Watt)

28 Automate your admin

Automating activities such as responding to emails, scheduling social media posts and transcribing meeting notes will free up valuable time so you can focus on the things that matter.

29 Offer incentives for long-term tenancies

Minimise void periods by offering discounts on rent or utility bills.

30 Hire a virtual assistant

It might sound like an extravagance, but with many VAs offering their services for a fraction of the cost of a PA, a VA could help free up some of your time and provide a cost-effective way for you to grow your property business.

31 Don't compare yourself to others

The reality is property isn't a get-rich-quick industry, so if anyone is muting that, be very suspicious. Your journey is your journey, don't let it be influenced by others. (Steven and Carolyn Sparks)

32 Always have a plan B, C and D

I embarked on a flip in 2008. I stuck rigidly to the plan of selling it on as the market plummeted around me. Even though I executed well, I made a loss. Nowadays, I'd have gone into that project with multiple exit options. (Sam Jones)

33 Use accounting software

I use Xero. It makes bookkeeping more effective and easier to manage, with a simple flow of data from bank accounts and credit cards to the software. It also helps store all receipts in one place. (Natasha Mistry)

34 Be prepared to flex

The market doesn't stay the same, so neither should you. Keep those goals, but realise the route to hit them might change. (Sam Jones)

35 Target your ideal tenant

Share as much information about the property as possible in your listing. This should help filter out any unsuitable tenants before a viewing.

36 Create an inventory

At the start of each new tenancy do an inventory to record the condition of the property and any of its contents if it is furnished. You can do this yourself or use a professional inventory company for a fee.

37 Use a separate bank account for property

Having a specific bank account for your property business allows you to keep your rental income and property transactions separate from your day-to-day spending. (Nadeem Raziq)

38 Set your property apart

Whether it's a Netflix subscription or free broadband, think about what you can offer to sway tenants to pick your property over another.

39 Keep things consistent

Having the same paint colour and fixtures like light switches, handles and taps in each of your properties may sound boring, but it means you can save costs by buying in bulk.

40 Dig into demographics

Use Streetcheck.co.uk to access street level data in your investment area. You'll find details on housing types, sale prices, employment status of residents, nearby schools and their Ofsted ratings – all the granular stuff that you need to know.



41 Make use of free resources

There's not much you can't learn from YouTube these days – and Property Hub's own YouTube channel is a great place to start.

42 Create a portfolio crib sheet

Lenders will always ask for this information so you may as well have it ready to go. Include the address, purchase price, mortgage balance, interest rate, rental income, type of tenant, mortgage rate and expiry. (Melissa Potente)

43 Use AI tools

As well as helping you to automate business processes, AI can provide valuable insights. Google's AI chatbot, Bard, is free to use and pulls real-time data from the web.

44 Shadow a more experienced investor

Don't be afraid to ask to shadow someone more experienced than you on a viewing. Learn from them and what they look for. How do they talk to agents/sellers? What questions do they ask? (Flora Russo)

45 Find someone to hold you accountable

It's embarrassing when you tell someone you're going to do something and then fail to deliver. That's why accountability partners work so well: having to answer to someone else pushes you harder to progress than if you just have yourself to answer to. Find someone you trust that will be positive and give you non-judgemental support to check in with regularly and make sure you're keeping on track.

46 Get a good broker

A good broker that understands the buy-to-let market is worth their weight in gold. Make sure they have a strong track record of working with investors.

47 Respond promptly to maintenance issues

If there's a problem, don't delay. Minor issues can escalate. A prompt response will save you time and money in the long run.

48 Schedule your time

Blocking out time in your calendar for specific property tasks can help you stay on track and avoid procrastination.

49 Network

Your network is your net worth. From trades recommendations to other investors and developers you can call on for advice when you get in a pickle – we wouldn't have grown as fast if it wasn't for our network. (Sarah Watt)

50 Limit your property 'to do' list

Ticking a few items off a never-ending 'to do' list will always feel insignificant. Instead, break down what you need to do and prioritise between three and five things you can realistically accomplish each day.

51 Celebrate your successes

Make sure you reward yourself for achieving those major goals or milestones. Finish first fix? Celebrate with a nice evening out. Fully tenanted your latest project? Go for that holiday with the family. (Sarah Watt)

52 Enjoy the journey

It's not always easy so don't be hard on yourself. When a risky property or risky move comes along, make sure your numbers and your vision add up – when the two don't align it's time to step away. And whatever you do, enjoy the journey of trying to better yourself and your family's future, there's no better feeling. (David Stockdale)



When Joe spotted the listing online, he thought there had been a mistake



“Rich Dad, Poor Dad is basically my life”

When Joe and Katy Davies agreed to manage an Airbnb apartment for a family friend, they couldn’t have anticipated where it would lead



INVESTOR FACT FILE

Name: Joe and Katy Davies

Age: 29 and 28

Lives: Liverpool

Invests in: Liverpool

Occupation: regional directors of Host So Simple by Host and Stay

Years investing: four

Strategy: serviced accommodation and luxury BTLs

Portfolio size: 15

Goal: location independence

INVESTOR STORY

criminology and psychology – took over managing an Airbnb apartment on behalf of a family friend in 2015. “We were just typical youngsters with a lot of time and no money, so we thought ‘why not?’,” he says.

It soon became clear there was a demand for this kind of short-term letting and management service: “A neighbour knocked on the door and said: ‘can I chat?’ We thought: ‘oh no, has there been too much noise or nuisance guests or something like that? But he said: ‘can you manage mine?’

“That’s when we thought, hang on, there must be a demand for it if someone else wants it.”

Not wanting to turn down the opportunity to make more money, the pair grew their list of clients through word of mouth, fitting cleaning, maintenance and check-ins around their studies. “In my final year of university, I was constantly taking phone calls in the stairway of the library,” says Joe.

They even roped in their family to help: “Both our mums helped out cleaning in the business. The washing machine pretty much never stopped at home with all the bed linen and every single banister had a sheet on it.”

By the time they finished university they had nine properties on their books. By 2019, this had grown to 140. “We didn’t have a business plan, we just rode the wave. We were in the luxury position there was too much demand for our services.”

Living a modest lifestyle

Even though they were turning over around £1.2m a year at this stage, Joe and Katy were careful with their money. “We invested most of our profits back into the growth of the business,” says Joe.

They also invested some of these profits into property. “We bought our first one in 2019. It was a two-bed flat in a building we knew well as we had a client that already owned there. Over time, we’ve just chipped away, adding properties here and there, most of them private sales from our network of contacts – a lot of our best deals have been picked up that way.”

They currently own a portfolio of 15 serviced accommodation units and luxury buy-to-lets in Liverpool and want to expand this to 20 by the time they hit 30.

Their experience working for other

“My story is a bit like the *Rich Dad, Poor Dad* book,” says Joe Davies, 29, who met his wife Katy, 28, doing the same paper round as teenagers in Liverpool.

“My parents are both teachers, they’ve never owned or been involved in property other than owning their own home. Katy’s dad has his own talent agency looking after TV personalities. He has a completely different mindset towards money than my dad, he’s very bold and happy taking bigger risks.”

Having these two influences growing up, Joe learned the values of working hard and having financial intelligence.

Riding the wave

Intent on forging his own path rather than following in anyone’s footsteps, Joe chose to study business at the University of Liverpool.

While there, he and Katy – who studied

Joe and Katy converted the existing kitchen/dining space into an open plan kitchen

landlords has made them particular about how they present their own rentals. “We were lucky to get involved in the property world very early on and see how it all worked. We saw how clients treated their investments differently. Some wanted to offer a high-end finish, others we struggled to convince to spend a penny. We saw how these different attitudes translated into real returns, so we knew spending a bit more on our properties made economic sense.”

Keeping their options open

Joe and Katy’s latest property project was the refurbishment of a three-bedroom basement flat in a Victorian building overlooking Sefton Park Lake. When Joe spotted the listing online, he thought there had been a mistake. “It had a huge living room, which was like the size of a football pitch. It was the biggest room I’ve ever seen inside a residential property, but it was quite old and unloved,” he says.

They wanted to leave their options open with the flat, so took out a HMO mortgage at 75% loan-to-value. “We initially planned to rent the property on a standard AST [Assured Shorthold Tenancy] but then we discovered it wasn’t in an Article 4 area, so we could rent it as a HMO too.”

After they got consent from the freeholder in August they got to work. They turned the small box room into a second bathroom, split the huge living area into two bedrooms and converted the existing kitchen/dining space into an open plan kitchen. “We



estimated it would take six weeks, but it took eight. It was a lot of work.”

In the end they let the property as a high-end AST, as the net return was comparable with a HMO when accounting for utility bills and that less management would be required.

Contrary to what people think, Joe takes care of design while Katy project manages and controls the budget. “Everyone thinks I’m the finance guy and Katy does the decor, but it’s very much the opposite. We make a good team as I can get carried away sometimes with my mood boards and Katy keeps me in check!”

Joe finds inspiration from Instagram and Pinterest and looking at existing stock. “I go on Airbnb, type in a random city like Edinburgh and look at all the listings that are doing well to get some inspiration. Then I put all my ideas together on a mood board in PowerPoint.”

Transition period

In May this year Joe and Katy sold their lettings and management business – something they hadn’t considered doing until an offer was on the table. “It was out of the blue, someone approached us. We hadn’t thought about selling, but the offer meant we could invest the proceeds into buying more properties of our own, which is ultimately what we wanted to do.”

They haven’t stepped away from the business completely, they are both employed as part-time regional directors. “The business is a part of our lives and the team are like our family – we got married in September and had our housekeeping and



maintenance managers there – we never wanted to sell out and say goodbye.

“We want to make sure things are still done properly, just in a different capacity than before. We’re enjoying the transition of jumping the fence from being the agent operators to being the client of our own business,” says Joe.

Since the sale, they’ve been making the most of their new-found freedom. “We’ve been lucky to have had financial peace of mind for a while, but we’ve never been able to enjoy it because we’ve been attached to our home city with a business that needed us.”

They enjoyed a trip to New York in November and spent the summer in Spain with their dog Elvis, a cocker spaniel. “We planned the Sefton Park Lake basement flat renovation from there,” says Joe. “We

RUNNING THE NUMBERS

This is how Joe and Katy’s three-bed basement flat in Liverpool stacks up financially:

Purchase price: £220,000

Deposit: £55,000

Purchase costs: £1,600

Finance method: two-year HMO tracker at base plus 1.69%

Amount borrowed: £169,950

Refurbishment/conversion costs: £32,000

Project duration: eight weeks

Total personal investment: £88,600

Monthly revenue: £2,200

Monthly expenses: £1,133

Monthly net profit: £1,067

got home pretty much as the keys arrived.”

Eventually they hope to replace their salaries with property income so they can choose if they want to work or not when they decide to have a family of their own. “We want to get to a point where we have enough residual income from our property portfolio to support ourselves,” says Joe.

But their ultimate goal is to share their financial freedom with the people they love. “We owe a lot of our success to our family and friends. They helped us get started back when we set up the business and we had so much support from them when we were younger, so we’d love to be able to give back to them, whether that’s through family holidays or experiences,” Joe concludes.

If you have an interesting property case study (good or bad) we’d love to share your story. Email us with some information and photos and we’ll get right back to you: magazine@propertyhub.net



Guide to: Independent Legal Advice

Why do you need it?
What's the process? And
how much should it cost?
Chantelle Dietz finds out



With more investors taking out limited company mortgages, demand for Independent Legal Advice (ILA) is mounting.

Lenders usually won't lend without it, but investors are often not aware of the ILA requirement until the last few days – or even hours – before a deal is due to complete, with little instruction on why it's needed or where to get it.

This makes the experience much more stressful and costly than it needs to be.

"What tends to happen is the lender will just say: 'you need ILA' and the borrower has to go out and find a law firm that can provide it," explains Anastasia Tfofis, who set up iLA – an acronym for Independent Legal Advice – to provide a solution to this problem.

She says this can be "disastrous" for property deals: "I've had clients who have gone away on holiday thinking they've completed all the paperwork, only to find out they need ILA at the last minute."

Here's what you need to know about ILA so you can avoid falling into the same trap.

What is Independent Legal Advice?

ILA does what it says: it is impartial advice provided by an independent solicitor who isn't connected to the borrower (for example a limited company), or the transaction in any way.

Its purpose is to protect you by making you aware of the risks involved before signing any binding documents. "Essentially, it's there to make sure you're not entering into an agreement without knowing the consequences, or being put under any pressure to do so," says Anastasia.



"I've had clients who have gone away on holiday thinking they've completed all the paperwork, only to find out they need ILA"

Why do you need it?

People are often surprised to find they need ILA.

It doesn't make sense to have to protect yourself (as a company director) from yourself (the limited company you own). So why won't lenders lend without it?

That's because – in the eyes of the law – a company is a separate entity from its individual directors and shareholders. Even if you're the sole director and shareholder of your property business, you (and it) are two distinct legal entities.

"The way the law sees it the director and the company are two different people. The loan is benefitting the company, not the director, therefore the director is being put at risk by signing a personal guarantee. We all know investors don't see it this way, as they often take an income from their property portfolio, owned by the company borrowing the money, but that's how the law looks at it," explains Anastasia.

The lender also wants to make sure it is protected if the company is unable to repay the mortgage, so they'll ask for a personal guarantee from each director and sometimes the shareholders of the company so they can pursue them personally if the company can't make good on its payments.

This personal guarantee is your legal promise to a lender that you'll step in and pay should your company miss a payment. In other words, it means you're responsible for your company's debt.

The guarantee needs to be signed and witnessed, and the solicitor providing the ILA will explain the legal implications of the document.

If a company has multiple directors, each one will need their own ILA. "Each director must be advised separately and independently. So, if there are four directors, I'd need to do four separate meetings with each one," says Anastasia.

There are other mortgage and finance-related scenarios for which ILA is required – including if you want to release equity or take out a joint borrower, sole proprietor mortgage – but personal guarantees are the most common in the specialist lending space.

Does the advice have to be given in-person?

Contrary to belief you don't have to arrange an in-person meeting. The solicitor does need to check your identity, make sure you are alone and not subject to another person's influence, but most mortgage lenders now allow this to be done via a video conference call.

"Before Covid you could only do it in person, but during Covid it went online, and it has stayed online. About 99.9% of lenders accept video calls now, there's only about five on our whole database that don't," says Anastasia.

"I've had clients tell me they've driven five hours for a meeting. It's

not their fault – they're just not aware it can be done remotely. If the paperwork says you must do it in-person then push back, a lot of documents haven't been updated yet to reflect the changes," she advises.

What's the process?

The meeting itself usually takes around 30 minutes. During this time the independent solicitor will check your identity and explain the guarantee you're signing, pointing out the risks and liabilities.

Once you've confirmed you've understood everything, they'll invite you to sign the necessary documents and explain the

KEY TAKEAWAYS

- ILA isn't just a formality, it's a crucial legal requirement
- The meeting can be carried out via video call, you don't have to do it in-person
- The process can be completed, from start to finish, in less than a day
- Find a firm that offers reasonable fixed fees and is experienced in providing ILA
- You shouldn't use the same law firm acting for your company in the property transaction

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the independent legal advice has been given and will send over a signed certificate.

"The whole process can be completed, from start to finish, in just a few hours," Anastasia says.

How much should it cost?

The cost can vary depending on what level of service you need. A lot of law firms don't offer ILA as it is seen as 'high risk, low reward'.

"It's high risk because if they misadvise their clients it can lead to serious consequences, but low reward because it's not worth £1,000s in fees," says Anastasia.

"We go from £250 for our standard service up to £500 for our gold service, which is for people who need it completing in just a few hours.

"Some firms will charge £3,000 which makes me really angry because they are just taking advantage of the situation and the client's desperation."

Can any solicitor provide ILA?

Since the advice has to be impartial and not biased towards either party, you can't get your conveyancing solicitor to do it for you.

"The same solicitor should not act for the company and the director, there would be a conflict of interest. The company's best interest is for the deal to go through, whereas the director's best interest is to protect their home and avoid putting money on the line they may not be able to pay back," says Anastasia.

How often do you need to get ILA?

ILA is usually needed each time you provide a personal guarantee. So, if you were to re-mortgage and provide another personal guarantee, then you will need ILA again. This is usually the case even when it is the same lender.

For experienced investors this can become a bit tedious. "We have clients that come back to us on a monthly basis for ILA. But, as it is a legal requirement, the lenders require our signed ILA certificate each time for their compliance and for the deal to complete," says Anastasia.

How long does a personal guarantee last?

At the very least it will last for the duration of the mortgage. Once you sign the guarantee (and have had ILA) there is no way to get out of it other than repayment of the mortgage – you can't just change your mind.

After the mortgage has been repaid, it is also good practice to get confirmation from the lender that you have been released from your obligations under the personal guarantee. If the document you had ILA on was a third legal charge for example, then you would need to also ensure this was removed from the property title.

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Park life

Parking is often overlooked when we're choosing properties to develop or let out, yet its absence can be a deal-breaker for tenants

By Neil Cumins

When it comes to property searches, parking is often treated as little more than an irrelevance. On Rightmove, you need to apply a filter while browsing sale or rental results to highlight properties with parking – often including on-street parking, which is rarely allocated or guaranteed.

OnTheMarket's rental search doesn't let you identify properties with parking at all, while Airbnb places more emphasis on washing machines and tumble dryers than driveways or allocated spaces.

With 33.5 million cars in the UK, and almost 41 million people holding full driving licenses, it's hard to understand why parking is treated as such a low priority. To millions of us,

our cars are essential for work, leisure and accessibility.

Complaints about busy roads and a lack of parking arise because of our reliance on personal transportation, not despite it.

Whether you're arriving outside a door, upper in a hire van, hosting a flat-warming party in a new rental home or bringing home a week's groceries, it's important to have somewhere convenient to park.

All roads lead to home

In 1900, there were only around 700 cars on UK roads. By 1930, there were over a million. In the intervening decades, most main roads as we know them today were created. Edwardian housebuilders began incorporating driveways and (often compact) garages mainly as



If your property has a space that's not being used, you could use it as a way to raise extra revenue

Driving up standards

The obvious starting point in maximising your property portfolio's appeal to motorists is therefore to shortlist houses with driveways, or flats with off-street parking. It's surprising how little strain this places on investor budgets; experts suggest parking only increases property values by up to 10%, which is a small premium to pay in exchange for considerably higher demand. It's also relative to house prices – a 10% premium on an Inverclyde ex-council flat is insignificant, but 10% on a Home Counties semi-villa could be worth tens of thousands of pounds at resale time.

Always ask to see the parking facilities during a property viewing. A lock-up garage might sound enticing in a schedule, but it could be a tumbledown shack with a leaky flat roof. And if you're buying off-plan, don't wait to ask about what parking is available, spaces tend to get snapped up quickly and are often only by allocated to larger or more expensive plots.

Installing a driveway on a property currently lacking off-street parking generates a swift and significant ROI. Look for properties with front gardens or side returns, offering scope to knock down walls or fencing. Parking spaces should be at least five metres by three, and you'll need permission from the council for a dropped kerb if one isn't already in situ.

Permission is normally granted unless your property is beside a junction, or on a sharp bend. Driveways can be curved and/or sloping, and you don't need dedicated concrete/tarmac hardstanding. Removing turf and scattering a few bags of 20mm tarmac gravel over heavy-duty plastic sheeting could create a useable parking space for less than £50.

Because of the value placed on parking, it is not surprising that the subject has been much litigated by both landlords and tenants. In order to avoid

HOW TO MANAGE PARKING ALLOCATION

For landlords with multi-unit properties like HMOs and apartment blocks, deciding how to divide up parking spaces can be a headache.

Unless your property has an equal number of parking spaces to homes (or more, which is unlikely), you'll need to decide which units come with parking spaces and which don't.

If you have a mix of smaller one-bedroom and larger two-bedroom units, for instance, then you might decide to assign the parking spots to the larger units housing more people. Although you'll want to adjust the rent to reflect this – if a tenant finds out they're paying the same for a unit without a parking space as one that does, they could claim they are being discriminated against or treated unfairly.

This is also the reason why parking arrangements should always be tied to the unit, not the current tenant or their present situation.

Let's say you decide not to assign parking to a unit based on the tenant's characteristics – for example, perhaps they are elderly and don't drive – you could be accused of discrimination under the Fair Housing Act.

litigation, it's important the lease clearly defines what is included. That way, if disputes arise between a landlord and tenant or between tenants, you can refer back to the conditions everyone agreed to when they signed the lease.

Permitted development

If a property you'd like to buy doesn't have allocated parking, investigate whether local car parks will sell or lease a space, or provide a discounted season ticket (which guarantees access if the car park isn't full).

You might be able to request an on-street permit from the local council or even buy or rent a privately owned parking space from a neighbour.

Likewise, if your property has a space that's not being used, you could use it as a way to raise extra revenue. The costs and benefits of renting out a space vary depending on your location, but websites like Place2Park and JustPark are good places to do some market research.

Electric dreams

Another reason to prioritise properties with off-street parking (or create it if you can) is to cater for the rapid

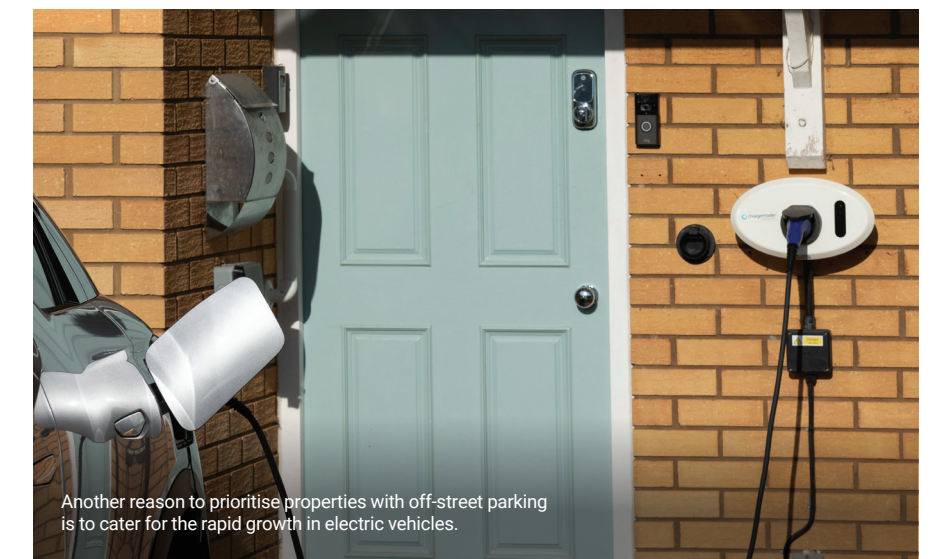
growth in electric vehicles. With widely documented challenges surrounding public charging, most EV drivers prefer to replenish vehicle batteries overnight.

This can't be done safely across a pavement, and there is growing political concern about entire swathes of the population being unable to own (or more typically lease) an EV because they don't have off-street parking.

Advertising your refurb or rental with a charging point (or even an outside power socket) could significantly increase demand for your property. Plus, charging points are currently subject to a 100% first-year tax break when companies install them.

Like the growth in car ownership throughout the 20th century, few people foresaw the need for domestic EV charging points in previous decades. Hydrogen and e-fuels might eventually render them useless, or they could become ubiquitous in future decades – motoring trends are notoriously hard to predict.

But for the foreseeable future, at least, it's important to recognise private off-street parking is at the top of many tenants and buyers' wish lists – even if you wouldn't know it browsing the UK's property portals.



Another reason to prioritise properties with off-street parking is to cater for the rapid growth in electric vehicles.

status symbols, while cheaper homes continued to be built directly onto the street with no front gardens.

Failing to predict the relentless growth in both vehicle ownership and the vehicles themselves, many of our homes and streets simply weren't designed to accommodate today's supersized SUVs.

The consequences are all too evident. Vehicles litter both sides of any street not decorated with double yellow lines, car parks are often full, front gardens are turned into driveways (further reducing pavement parking), and council planning regulations stipulate two-car driveways even though many households now own three or four vehicles.

All this becomes particularly problematic for flatshares, HMOs, multigenerational families and larger domestic homes.

The 'parking-free' conundrum

In an age of environmental anxieties and traffic-clogged streets, city councils are

increasingly insisting new apartment developments must be parking-free. This suits developers, who don't need to allocate precious land for surface parking (or build expensive underground garages), but it creates huge problems for occupants, visitors and anyone with mobility issues or children.

Cars inevitably end up spilling across neighbouring streets, exacerbating existing problems – and demonstrating why parking is one of the most marketable assets of any sale or rental property.

Trying to resell or rent out a property without parking will scare away a significant percentage of your potential audience. That's not such a problem in urban or deprived areas where (a) people more readily accept on-street parking and (b) car ownership is lessened by financial hardship or comprehensive public transport. But it becomes a much bigger issue in affluent districts, towns and villages, or relating to properties appealing to more than just a single person or young couple.

Why mindset matters

When it comes to investing, is it better to be a glass half-full or half-empty kind of person?

By Derek Hughes

“You’ll go bankrupt,” my accountant friend warned. He didn’t like my plan to start investing in property. I excitedly told him I was going to make a truckload of money. I’d studied leverage and capital appreciation. I was optimistic this would make me wealthy. Buy and hold was the plan. Remortgage when prices rose. Reinvest the funds to grow the portfolio. Simple.

My friend was not convinced.

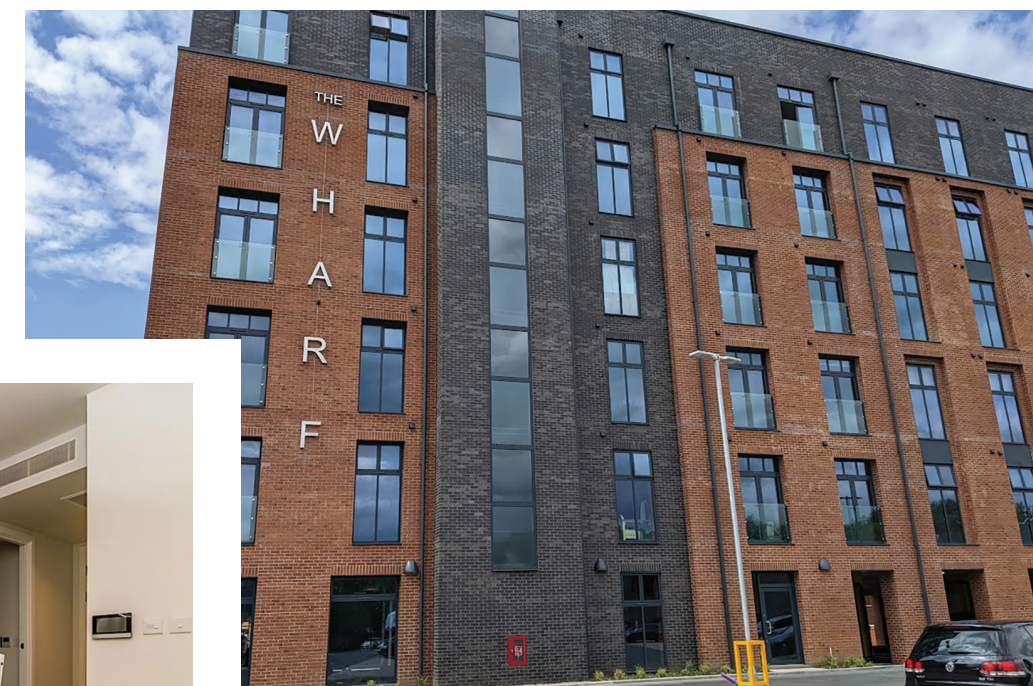
He’d had a property investor client, who had started with two small properties. As house prices rose he remortgaged and withdrew the equity to fund further deposits. This high leverage strategy had grown his portfolio to £2m.

But a sudden dip in house prices



Below: Derek Hughes

Derek was left “financially vulnerable” after a series of sharp interest rate rises



meant he couldn’t get new mortgage deals. His mortgage reverted to the expensive standard variable rate. This resulted in substantial losses. He defaulted on his mortgages. The banks repossessed his properties. He lost everything.

This is why my friend was pessimistic about my future as a property investor.

But I’d done my research and was confident my plan would work. I bought a two-bedroom flat for £90,000. Financed by a 75% mortgage and £27,500 of my own money.

Two years later prices had risen. My flat was revalued at £103,000 and I was able to withdraw £9,500. With £3,500 rental profits I’d made a 47% return over two years. My optimism had been vindicated. I took great delight in pointing it out to my doomsday friend.

By summer 2022 I had another £180,000 to invest. My confidence



"My optimism was in shatters. I felt stupid"

was high so I paid a 10% deposit on two high-end off-plan city centre apartments. Due for completion 12 months later.

But I didn’t know everything was about to change.

A Liz Truss inspired budget in September 2022 triggered a series of sharp interest rate rises. A tough mortgage market meant I could only secure a 70% mortgage. This left me £30,000 short, but I was legally committed to the deals I was at risk of losing everything. We took drastic action. We canceled a foreign holiday

and abandoned plans to develop our own home. We used all our savings to cover the shortfall. We made it. Just.

With no money left in the bank we were financially vulnerable. I was shaken and felt sick for weeks. My optimism was in shatters. I felt stupid. Maybe my pessimistic friend was right.

Learning the real lesson

It’s easy to draw the wrong lesson here.

When things don’t go to plan – like the refurbishment budget runs over, the tenant stops paying the rent, or we face huge maintenance costs – we are determined not to make the same mistake again. With our new insights, we think we’ll be ok next time. But this is not the real lesson to learn.

Morgan Housel, author of *The Psychology of Money*, likes to quote economist Daniel Kahneman. He says when we are surprised by the unexpected “the correct lesson is that the world is surprising.”

The problem is that our brain looks at events in isolation. We assess the odds of a disastrous tenant, a 25% house crash, or a house requiring lots of maintenance. Let’s assume the odds of each of these events happening is 1%. We look at odds of 1%, think it’s unlikely and imagine we’ll be ok.

But this misses a crucial factor.

There are thousands of possible bad events, including many we hadn’t thought of. (Who included an economy lockdown in their 2020 predictions?) With so many possibilities, the odds that something bad will happen are uncomfortably high.

We have no idea what will happen. But something bad will. As Stanford Professor Scott Sagan says: “Things that have never happened before happen all the time.”

This is true for the economy. Think Covid, dramatic interest rises, or Brexit. It’s true personally. Think of all the unexpected things you’ve experienced over the past 10 years. And it’s true for your property business too.

If you want to be a flourishing property investor. This needs including in your strategy.

Avoid ruin at all costs

You only succeed if you survive.

It doesn’t matter how much discount you got for a house or how you recycled your deposit via a shrewd refurb. Years and years of capital growth are irrelevant too.

None of this matters if a fatal loss sinks you.

Yes, look for deals with the best return. But leave yourself capable of fighting another day. Investment



"The odds that something bad will happen are incredibly high"

history is full of sad stories. Risk takers who won 95% of the time but got wiped out by the unexpected event.

The wisest investors are pessimists in the short term.

Bill Gates was brilliant in building Microsoft, but he insisted on having money in the bank to cover 12 months’ costs. He wanted the company to be able to function for a whole year with zero income. Imagine having that much cash sitting in the bank. No doubt some argued to invest it in new products or expand the company. Excess cash earning a low rate of interest seems like a waste.

But Gates was fearful of what might

happen. He knew it was more important to ensure survival than maximise the return on every pound.

You only win the game by staying in the game.

How to be a short-term pessimist

What this means for property investors is to fear the worst in the short term. Not to paralyse action, but to take protective action.

Do a risk analysis. Consider what might happen and how you could protect yourself. Don’t fall for the 1% odds fallacy.



Derek says he used to obsess over minimising every cost

Could you survive a tenant not paying the rent for six months? Are you protected by insurance or cash reserves?

What would happen if house prices drop and you can’t get a new mortgage deal at your current LTV? Could you cope if your mortgage interest payments doubled?

This is why it’s wise to only purchase properties that make a healthy rental profit. This gives you a margin of safety. It’s also good practice not to use all your cash to buy a new property. Retain some reserves to cover any unexpected events.

The role of risk taking in generating wealth

You won’t become wealthy without taking risks. Yet Adam Grant in his best-selling book *Originals* discovered that successful entrepreneurs are remarkably cautious. They take risks to get ahead, but not risks that could wipe them out.

Grant explains that high-performing entrepreneurs offset their risk. He notices they often keep their jobs when starting out. Linda Rottenberg founder of Endeavour which supports entrepreneurs says: “The best entrepreneurs are not risk maximisers. They take the risk out of risk-taking.”

Warren Buffet sounds strangely cautious for one of the best investors in the world. “When forced to choose, I will not trade even a night’s sleep for the chance of extra profits.”

The reason for caution is because the future looks so good.

The future’s bright so you can be optimistic

If all you had was short-term pessimism there’d be no need to play the game. But this is only half the story. It’s important to stay in the game because the opportunity to generate wealth are incredible.

Several factors give great cause for long-term optimism for property investors. The supply/demand imbalance means UK property prices will continue to rise. Leverage multiples that growth and offers valuable protection against the eroding effect of inflation.

Then we have the superpower of compounding. It’s hard for the brain to grasp its potency. We can get our heads around linear growth. But exponential growth is counter-intuitive and astonishing.

If you fold a piece of paper 10 times its thickness would be the width of your hand. How thick would it be after 50 folds? Think of answer. Did you say it would reach the moon and back 10 times? Probably not, but that’s the impact of compounding.

If you have £50,000 and use a mortgage to buy a property worth £150,000, hold it for 20 years and assume capital growth of 9%, your £50,000 would become £800,000. Even without adding value, buying at a discount or reinvesting the equity. A 1,600% return would be breathtaking for the simple act of buying one property and doing nothing.

Compounding makes length of time the number one success factor for long-term investors.

I’m embarrassed to admit this, but I used to obsess over minimising every cost and maximising the return on every pound. I’d feel low if an unexpected cost came in and damaged my return. Now I realise decades of growth will dwarf these costs. A boiler replacement is trivial compared to 20 years of capital growth.

We can be optimistic because compounding and capital growth are so powerful they are virtually unbeatable over the long term.

The ultimate goal isn’t a higher return at all costs, but to stay in the game. If you stay in the game you can’t help but succeed. If I still have my properties in 20 years, it’s hard to imagine I’ll not be wealthy. An unforeseen cost. A bad year or two. These make little difference compared to 20 years of compounded growth.

But you’ll only benefit from the optimism in the long run if you’re pessimistic enough to survive the short run.

Therefore as a property investor I’ve adopted a new mindset. I’m a short-term pessimist and a long-term optimist.

Can we trust predictions?

Is there any point in trying to predict what lies ahead, writes **Rob Dix**

It's the time of year when everyone - us included - is making predictions for what house prices will do next. But... are they ever accurate? Or to put it another way, if you paid attention to these predictions, what would they have done for your investment performance?

Well, we can judge this by doing the one thing no forecaster ever wants you to do: going back and judging their past calls.

Rewind to 2020

Predictions are the most useful if they can identify major turning points in the market, so let's go back and look at the most recent two - starting with 2020.

This was, of course, the year that Covid turned just about everything upside down - and nobody could be expected to have seen that coming. But once it was clear that this was a big deal and would be part of our lives for a while, what did some of the most widely quoted forecasters say this would do for house prices?

Well, Savills said in May that prices would fall 5-10% in the short term - while Capital Economics said they'd end the year down by 4%.

Were they right? Not at all: house prices grew by more than they had in six years, growing by 7.3% over a year. Capital Economics held firm and said that the drop would come later than anticipated, in 2021 - whereas in fact prices rose by 10.4% in 2021, meaning they missed the mark by a trivial 15%.

(To be fair, we were wrong too: we said that house prices would increase, but we didn't anticipate anything like that magnitude.)

You could argue, though, that Covid was a uniquely unforecastable event. Nobody knew what course the virus would take, when the world would be able to re-open, and what the central bank's monetary response would be. So let's go back and look at the previous turning point.

Calling the crash

It felt dramatic at the time, but the 2007/8 turning point was a more run-of-the-mill event. House prices had been booming for years, and lending had become irresponsibly loose: "liar loans" meant that anyone could get a mortgage without so much as a pinky promise about their income, and it was possible to borrow more than 100% of a property's value.

It should have been possible to forecast a crash to follow this boom - but did this happen?

Well, at the beginning of 2007 Savills rather awkwardly said "the housing market is not about to crash" - which it didn't, but it would have been helpful

if they'd provided some kind of hint that it would in 2008. The same goes for Capital Economics, who had been predicting a major crash for years, but chickened out in 2007 - saying, "It gets to a stage when you can't keep saying a crash will happen while prices keep on rising."

As it turns out, you can do and they should have done: prices peaked in January 2008, and bottomed a little over a year later with a drop of 16%.

Guessing ahead

Believe it or not, my purpose here isn't to make fun of these forecasters.

We've been making our own predictions for nearly 10 years, and we've got plenty wrong. If you went back and picked out snippets like I have done, it wouldn't be hard to make us look stupid.

As I've said, predictions are most useful if they can pick out turning points - but doing that is uniquely difficult. That's because it involves overcoming something known as extrapolation bias.

This is the tendency to take current

conditions and project them forward. So if house prices have been going up because market sentiment is strong, it's natural to predict that those conditions will continue - and prices will go up again next year. It's far more psychologically difficult to convince yourself that everything will go into reverse and the world will feel completely different.

A good recent example of this bias is interest rates. They spent 14 years being close to zero, which is historically highly unusual - which means at some point they had to increase back to something more historically normal.

But after 14 years, change felt incredibly unlikely. It was easy to rationalise that current conditions would keep on going for longer, and hard to say that a change was about to happen. Even those who did see rate rises coming mostly underestimated the speed and extent of the hikes (me included).

The other factor that makes identifying turning points so difficult is this: seeing that something is going to happen is one thing, but saying when it will happen is much, much harder.

So to make an accurate prediction, you first need to take a contrarian position and go against the consensus - which is hard. Then if it doesn't happen within the next year, you need to maintain your position while everyone is making fun of you for being wrong previously. At some point you just give up, which is what we saw happen to Capital Economics earlier: they'd been going against the grain by predicting a crash for four years, and gave up just before the crash

did finally happen - rationalising their capitulation by talking about factors like not building enough houses.

Just for fun

Of course, some people did correctly predict these turning points - and these days it's easier than ever to find voices with a whole range of opinions, rather than having to accept the mainstream consensus.

But as an investor, I'm not convinced this really helps: it just confuses you by exposing you to a massive range of very confidently

stated opinions, all backed up with data, which draw completely different conclusions.

We're going to keep making predictions and speculating about the future of the market, but I think it's best viewed as a form of entertainment rather than something to base your investment activity on. In fact, I've become convinced that the only way to invest is in such a way that it doesn't matter what plays out over the short term.

Taking a long-term view is, of course, the easiest way to do this. Over the coming year there could be a boom, a crash, or anything in between - no-one knows. But over a long enough timeframe you know for sure that prices will end up higher, your debt will be eroded by inflation, and the rental income will keep rolling in.



If you want to hear more from **Rob Dix** check out our YouTube channel: [youtube.com/propertyhubuk](https://www.youtube.com/propertyhubuk)

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What's your 2024 game plan?

Success comes much easier when you have a plan, writes Rob Bence

At the start of each new year, around this time, I usually set my goals for the year ahead.

But for the past few years – I'll admit – I haven't. I've still been able to achieve some of the things I've wanted to, but I'm certain if I had set myself goals, I would have achieved more.

It's taught me you can still be successful without setting goals, but success comes much easier when you have a clear plan.

This is true for a lot of things in life: footballers can just go on a pitch and start playing. Maybe they'll win the match, but they have more chance of winning if they have a good game plan.

It's the same with property investment. You can still do well without a plan, but it helps if you do have one. It keeps you focused on your core objectives and elevates your chances of success.

That's why I've decided to go back to setting goals this year. It's worked for me in the past, so I'd be foolish not to.

If, like me, you've found yourself drifting this year, here's what you need to do to get back on track:

1. Reflect and refocus

Start by reviewing your finances, personal situation and skillset. Do you have savings or equity to invest this year? Have your personal circumstances changed? How much time will you have? What jobs are you comfortable doing yourself?

By asking yourself these questions (and answering them honestly) you'll get a realistic picture of what's possible to

achieve in the next 12 months, rather than what you would like to happen.

2. Break down your goals

Don't just set big annual targets. Break down your goals into quarterly or even monthly tasks.

If your goal is to invest in two properties this year, then your Q1 task could be to refinance to release the equity.

By breaking down your big goals you'll start to get some quick wins and the momentum of these wins will keep you motivated throughout the year, spurring you on to the next step.

3. Level up your knowledge

It's easy to go on to Rightmove, find a property and put an offer in, but do you fully understand property investment and what it can do for you?

Investing in property is a complex and evolving business – which is why you need to be up to speed with what's happening.

Two key concepts you really need to understand are leverage and inflation. A broader understanding of macroeconomics concepts, like market cycles, is also useful.

Armed with this knowledge you're

more likely to make better decisions and you'll be far less nervous when you make those decisions because you'll be doing it from a foundation of understanding rather than a foundation of hope.

4. Find your allies

Just like a footballer relies on their teammates, you can't achieve your goals alone. If you're worried about losing momentum or focus as the year goes on, then find yourself an accountability partner to share your progress and challenges with.

Building good relationships with local letting agents is always valuable, not just for getting your property let, but for being made aware of new deals coming to the market, and a good broker is a must.

People are often surprised Rob and I use mortgage brokers, but I think the fact we do is a strong indication most people should be using one.

By taking these steps and putting a game plan in place you'll be setting yourself up for success in 2024.

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What I've learned

Investor and lettings business owner **Stephanie James** lives in Cheshire with her fiancé Cal and their son Ellis

Thoughtful design will maximise your ROI

Allocating a bit more of your budget for interior design will put more pounds in your pocket than a standard grey carpet and white walls approach. In some instances, I've witnessed an increase of £150 per month in rental income and a staggering £20,000 boost in the final valuation, exceeding my initial expectations.

Property isn't a get-rich-quick scheme

Property is a great avenue for wealth generation and protection, but it's not a shortcut to instant riches. Having a complementary business alongside your property portfolio can help build momentum. We have a lettings business to generate cash flow, and reinvest the profits back into our portfolio.

Automation will free you from the mundane

Automation is my secret weapon. Spending time

upfront on setting up systems pays off by freeing me from mundane tasks. Whether delegated to our virtual assistant or fully automated through technology, it's a strategic investment in gaining ROI on my time.

Diversification isn't just about spreading risk

The cookie-cutter method has its merits, but diversifying gives you the flexibility to find the best deals. Having a diverse portfolio means I can submit more offers at competitive prices, resulting in a significantly higher ROI, rather than limiting myself by focusing on specific streets for specific properties.

Social media is a brilliant prospecting tool

If you want to raise private finance, then you need to leverage your personal social media. Merge your personal and property



profiles to showcase your journey. This dual-purpose approach ensures your friends are kept in the loop – 75% of our angel finance has come from friends – and your property contacts get a glimpse of your personal side, crucial for building trust in financial transactions.

Enjoy the ride

Property investment isn't just a financial venture; it's an adventure. Revel in the aspects of property investment that ignite your enthusiasm. If you love transforming spaces, let that passion guide your choices. If negotiating deals is your



INVESTOR FACT FILE

Name: Stephanie James

Age: 32

Lives: Cheshire

Invests: Cheshire, Liverpool and Manchester

Occupation: full time Investor

Years investing: 11

Portfolio size: 30

Strategy: diversification

Goal: to create long-term wealth for herself and her family

forte, relish the process. Identify what you're good at and what brings you joy, then make it a focal point of your investment strategy. My love for creating systems and automations has become the cornerstone of both my lettings business and property investment ventures. Owning a business is demanding, so find that one area you love, and let it be the driving force that sets you apart. After all, when you enjoy what you do, success becomes not just a detination, but an integral part of the journey.

If you're a portfolio landlord and would like to share your property wisdom, we'd love to hear from you. Email us: magazine@propertyhub.net and we'll get back to you.



Need help with your buy-to-let strategy?

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A free strategy meeting will help you:

- Clarify your goals
- Understand the economics behind successful investments
- Plan your next steps

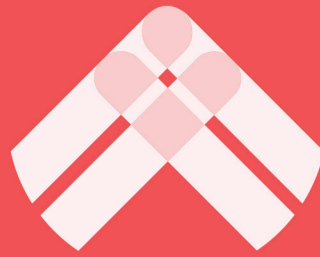
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