The
PROPERTY
Hub Magazine

Making sense of property investment

thepropertyhub.net

CROSSING BORDERS
Add a global property hotspot to your portfolio

LETTINGS
The enemy within – how one landlord dealt with a rogue tenant

LOCATION
The jewel of the north: a close up look at Leeds

FINANCE
Commercially speaking: expert advice on commercial developments

HMOs: THE ULTIMATE GUIDE

Maximise your money with multiple occupancy

issue 07 November 2016 £5.95

CREDITS

Directors: Rob Dix, Rob Bence

Editorial team: Mish Slade, Rob Dix, Abbey Vale, Lydia Chipman, Louise Rees

Design team: Richard Honey, Edward Lamb

Writers and contributors: Neil Cumins, Jane Cameron, Alice Whitehead, Christopher Nye, Felicity Hannah, Mish Slade, Rob Dix, Christine Toner

CONTACT DETAILS

Subscribe to The Property Hub Magazine: visit thepropertyhub.net/magazine

Change of address or other subscription queries: email hello@thepropertyhub.net

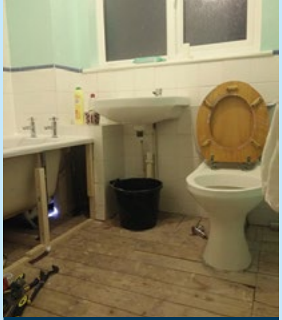
Reader feedback, comments or questions: email hello@thepropertyhub.net

twitter.com/propertyhubuk

DISCLAIMER

The content of this magazine is for informational purposes only, and should not be taken as strict advice or actual recommendation for readers to invest in property without doing their own independent research. The Property Hub Magazine assumes no liability for inaccurate, delayed or incomplete information, nor for any action taken as a result of reliance upon this information.

Contents



15
TENANT TANTRUMS
A small rent increase has big consequences for landlord Ash Karamucki.

18
HMOS: THE ULTIMATE GUIDE
Risky but rewarding, everything you ever wanted to know about investing in Houses of Multiple Occupation.

26
GOING GLOBAL
The overseas investment hotspots getting buyers excited.

39
200 AND COUNTING
Could you manage 200 tenants in separately let rooms? One landlord explains how he does.

Regulars

05 INDUSTRY NEWS
Must-read market news to keep you in the know.

07 A DAY IN THE LIFE
24 hours with developer brothers Phil and Mark Stewardson – and their £16m property portfolio.

10 LOCATION FOCUS
A student hotspot, a young professionals' playground, and a firm favourite for families. What's not to love about Leeds?

24 CASE STUDY
Making multiples: developer Jamie Brewis on his passion for conversions.

32 PROPERTY GEEK SPEAKS
Ever wondered why rents and prices move the way they do? So has Rob Dix...

34 FINANCE
Mortgage expert David Cookson looks at your options for HMO finance.
PLUS Boost your returns with a commercial development.

38 LETTINGS
Is anybody reading this? How to write ad copy that won't be missed.

42 TOP TIPS
Our Top Ten places to invest in 2017.
PLUS How to snag a new build property.

47 INSIDE THE HUB
Freebies, fresh looks and *finally* joining the cool club – behind the scenes with Rob D and Rob B.

48 VITAL STATISTICS
We use transaction volumes to take the market's temperature.

50 EVENTS
No pitches. No sales. No upsells. Must be a Property Hub Meetup – and there's bound to be one in your area.

Rob Bence runs RMP Property, a property investment company that sources buy-to-let investments on behalf of clients. He has ten years' experience working in the property sector.

Rob Dix is proud to call himself a complete and utter property geek.

He has written extensively on investment, and his books include Property Investment for Beginners and Beyond the Bricks. He also runs a personal blog, Property Geek.

Welcome

Are we really approaching the end of 2016 already? Surely it wasn't that long ago that we were taking down the Christmas decorations and vowing to get a new gym membership and actually use it past January. Indeed, for a year that's been so packed full of unprecedented events – from political meltdowns and celebrity deaths to Brexit and the most unlikely election race in US history – it's certainly passed by quickly!

The property sector has had an interesting ol' time of it, that's for sure. We doubt 2016 will be looked back on as a fun time for most landlords and investors, but as ever, the sector is riding out the storm. The stamp duty hikes of the spring have bedded in now and, while the cuts to tax relief won't take effect until next April, investors have been busy exploring their options to make sure they're ready for the changes. There may well be some hurdles to overcome in 2017 – and the government may well give us a few more hoops to jump through – but the property market is still brimming with potential.

Speaking of which... in this bumper issue we took a look at the global markets that property investors have been eyeing up. If you're keen to spread your wings and cross some borders, you won't want to miss this.

But if you're looking to spend your money a little closer to home, check out page 10 for our Leeds special, where we look at all this Yorkshire gem has to offer.

The first of our case studies in this issue takes a look at what can go wrong when renting out a property. It's not always a walk in the park – as Derby-based Ash Karamucki found out. Meanwhile, investor and developer Jamie Brewis shares his strategy for keeping it simple and explains why three properties are always better than one!

And finally... with the autumn months sparking frequent interest in student property (particularly if you live in a university city), our cover feature provides a rundown of everything you need to know about investing in Houses of Multiple Occupation. It has its risks, yes, but are the rewards worth it? We've got all you need to know.

Happy reading!

Rob Bence & Rob Dix

MARKET FOCUS

The latest news and developments from the property industry.

News

RENT RISE NO SURPRISE

They may not have come into play yet, but the government's proposed changes to landlord tax relief are already causing havoc in the industry. The overhaul, which could severely impact profitability, has seen lenders increasing their rental coverage calculations in order to price for risk. As a result, the issue of increasing rents to meet rising costs has become something of a topic du jour. Recent figures from the Office for National Statistics, however, show we're already seeing rental hikes across the country.

The data reveals private rents in Britain rose by 2.3% in the 12 months to August 2016, with a 2.4% increase in England. Every region in England saw rent rises – with the South East showing the biggest increase at 3.4%.

The ONS figures come as national estate agent Your Move released its own research, suggesting UK rents are now at an all-time high. The estate agent claims that average monthly rents in England and Wales rose to a record £846 in July.

Of course, it's not just lenders' criteria that might contribute to rents creeping up. Current demand for rental property considerably outstrips supply. New housing minister Gavin Barwell has vowed to tackle the housing deficit as a priority. Addressing delegates at the National Housing Federation conference, the Croydon MP said the government was committed to helping buyers to get on the property ladder, while stating that more homes for private rent and more sub-market rent homes were also crucial.

"Of course, it's not just lenders' criteria that might contribute to rents creeping up. Current demand for rental property considerably outstrips supply."

THE HS2 EFFECT

HS2 may have its detractors, but the controversial railway project – which will link London, Birmingham, the East Midlands, Leeds, Sheffield and Manchester – is certainly having a positive effect on one area of the UK in particular. Recently, Birmingham City Council announced plans for a massive regeneration project in the Curzon Street area of the city – where the planned HS2 station will be.

The scheme, which the council predicts will cost around £900 million, will include 4,000 homes across a number of new neighbourhoods in the 141 hectare space. It will also create 36,000 jobs.

The scheme will be funded by Birmingham City Council, Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP) and the West Midlands Combined Authority. It is expected to take 30 years to complete.

It's the latest in a long line of major regeneration schemes to take place in the city in recent years. City centre site Smithfield is currently the focus of a £500 million investment, with plans to deliver 100,000 sq. metres of new floorspace, 1,000 new homes and 3,000 new jobs.

The Lexington, Liverpool Waters (visualisation)

"NEW YORK" SKYSCRAPER KICKSTARTS LIVERPOOL WATERS

It's been pretty quiet on the Liverpool Waters front of late, with few updates coming about Peel Group's huge £5.5 billion regeneration master plan to transform the city's waterfront. However, it seems it's finally all systems go on the project, as developers behind one of the central residential elements – proposed purpose-built Private Rented Sector (PRS) scheme – received planning consent.

Designed by Falconer Chester Hall, the £82 million, 34-storey development will feature 304 high-spec apartments, ranging from studios to three beds, along with 15,000 sq ft of leisure space.

In a design that the developers claim will bring New York-style living to Liverpool, residents will benefit from a 17th floor residents' lounge, gym, roof terrace, garden, fitness studio, an indoor/outdoor cinema and 24-hour managed concierge. This is tower block living but not as you know it.

The Lexington is the first major project in the city for Moda Living and Apache Capital Partners' private rented sector joint venture. Earlier this year the duo secured planning permission for the £128m, 466-apartment Angel Gardens development in Manchester, while proposals have been unveiled for a £145m premium purpose-built rental development of 450 apartments on Broad Street, Birmingham.

Meanwhile, estate agent Knight Frank has predicted that £50 billion will be invested in the build-to-rent sector by 2020, with an estimated 6.75 million Brits living in rented accommodation by the end of the decade.

BREXIT SCHMEXIT

First-time buyers have shrugged off any uncertainty brought about by this summer's Brexit vote, according to the latest research by specialist lender Aldermore.

The "out" result of the referendum – which saw the prime minister step down and the Labour Party almost self-combust – caused widespread concern that the housing market would be hit hard. This concern was seemingly corroborated by stories that would-be buyers were opting to back out of transactions until calm was restored. Yet Aldermore's research indicates otherwise: the study, conducted by YouGov, polled first-time buyers before and after the referendum and found that the number of prospective buyers remained the same.

That's not to say that those prospective buyers will be leaving the rental market anytime soon, though. Indeed, Aldermore revealed that, while market uncertainty may not be an issue for first-timers, raising a deposit most certainly is. Almost 40% of first-time buyers said that raising a deposit was the biggest obstacle to getting on the housing ladder, with only 16% saying that they planned on raising a deposit without any help.

The study comes as first-timers using the government's Help to Buy ISA to save for a deposit were dealt a blow, when it was controversially announced that the government bonus could not be used towards a deposit on a property. In fact, it was revealed, it would not be given until after a sale has completed.

The ISA, which was launched in December 2015 to widespread acclaim, allows borrowers to save up to £12,000 over four years with the government promising to boost their savings by 25%. According to reports, more than 500,000 people have already opened the accounts.

A DAY IN THE LIFE

UNLIKELY LADS

Owners of a burgeoning £16m property portfolio in a pocket of the West Midlands, brothers Phil and Mark Stewardson demonstrate to Jane Cameron how each day adds to their momentum.

7:00

Phil, 52, and Mark, 49, meet early at the offices of their company, Stewardson Developments, 12 miles outside Birmingham.

When the brothers were younger, they moved roughly every 12 months as their parents bought and sold shops. Now closing lucrative deals every ten days, the successful duo could be described as the Brownlee brothers of property development – though their achievements were not in the original plan.

Prior to becoming a full-time landlord in 2008, Phil had set up and run a business with his mum selling high-end children's clothing, which named Barry Gibb among customers and had a peak turnover of £500,000. And Mark earned his crust as a self-employed commercial photographer – the perfect skill to complement Phil's business savvy.

Today, they hold 160 residential and commercial properties ranging in value from £75,000 to £750,000. Last year, they bought 35 properties and sold nearly 20, ensuring a 20% minimum profit margin on sales or 10% ROI on rentals. All resi-properties are within six miles of their office.

The game changer was their very first property – bought in 1995 in cash (putting in half each) for a bargain £20,500. After a two-month, £5,000 overhaul, the three-bed terrace was valued at £65,000. This gave them the impetus and equity to seek help from the bank to buy more.

"It was never our aim to be developers," says Phil, "but having seen our grandfather pay in for a lifetime with little benefit, neither of us had a pension nor any faith in what they offered. If we could buy ten terrace houses over a decade to rent out, that would serve as a pension."

7:45

Time for Mark to go out on-site – checking that tradesmen have turned up, materials have arrived, and health and safety is in order. Project management and staffing are his roles, along with photography and online marketing. The company directly employs three site workers and has 12 subcontractors.

9:30

Phil sits down with the company accountant. He checks for non or late payments. He says being too trusting was one of their early mistakes: "If we promise something, we deliver, and we assumed everyone else did the same. We were let down by contractors, suppliers and bad tenants. We're a lot more cynical now so do our due diligence – including checking Facebook." There's a sign in their office that says: "To trust is good but not to trust is better."

10:00

Mark is on the phone – booking tradesmen and ordering materials, including decorative stone for a driveway. Refurbishments vary in degree, but finished houses will always be carpeted and the kitchen given big licks. "It's definitely the most important room," says Mark, "and wherever possible, we'll make the lounge and kitchen open plan."

11:00

Phil takes care of admin, sourcing and disposal of properties, so he checks in with estate agents and asset managers. He explains they always give a property back to the agent they purchased from: "They sell to us, and they get two jobs out of it."

In addition, quick-sale properties are sourced direct from vendors via a vigorous PR and marketing strategy, taking in giant hoardings, leafleting, sponsorship of local sports clubs and signage outside properties. Whenever they buy a house, the nearest 100 homes are sent a leaflet with a photograph of the property and a message that says: "We buy houses for cash".

12:30

Lunchtime – and Mrs Stewardson, aged 80, arrives. "Mum comes for about four hours each day," says Phil. "My Dad died nine years ago, and it keeps her busy. We have many long-standing tenants, including one of 19 years. When they drop by, she'll make them a cuppa and have a chinwag."

14:00

A pensioner living next door to a Stewardson development calls into the office, wanting to sell his house and rent a one-bed flat. At least two people each day walk in off the street to sell their property, says Phil. They'll find the right flat for this customer, buy his house and achieve ultra-efficiency by refurbing it at the same time as the one they're already working on.

15:00

Mark is downloading images of an ex-council house they've just bought, for a leaflet that will go out to neighbours. He's also trawling his extensive photograph archive to use in a campaign targeting breweries. They first focused on disused pub conversions in 2002 – in a shrewd move to offset the shrinking margins in house renovations at the time.

Mark will get help from a marketing student on placement for nine months. She's the fifth in a line sourced from local universities, and will support him while gaining valuable experience. "Each student who's worked here has gone on to get a full-time job in marketing," says Mark proudly.

16:00

Phil is collating figures for a business mentor they've been meeting every fortnight for the last nine months. He's checked and can confirm the company's last five houses were bought within 21 working days, in line with their advertising pledge. The renovated properties were then sold to first, second or third viewers within £5,000 of the asking price. This information can now be used to get more estate agents on side.

Phil says: "Although it's a great advantage having a brother to work with, we still have no one to answer to. With the mentor, we commit to a date to implement."

As well as helping them to clearly define their roles, the coach has prompted them to get on with what they knew needed to be done. For example, Mark has got them up and running online – with regular email shots via MailChimp plus activity on Twitter, LinkedIn, Facebook and now Instagram. And they've taken on a PR agency, as they become the go-to people for advice on regional property. Phil now writes for the Daily Telegraph's Property Doctors column.

18:00

Time for Phil and Mark, both married, to go home and enjoy some outdoor recreational activity. This may be where the comparison to the Brownlees ends, but they both like to cycle: Mark on a road bike, and mountain biking for Phil.

20:00

Phil admits he's likely to put in an extra hour's work at this point – checking Rightmove for the next gem. It's been a long day, and if there's one thing Phil could change about his job, it's perception: "Everyone thinks you live some millionaire lifestyle, swanning off on the yacht from Friday to Sunday. They think it's much easier than it is."

LOCATION FOCUS

Riding to succes

S

As one of the Northern Powerhouse's shining lights, Leeds has a bright future. Neil Cumins investigates the rise of Yorkshire's largest city.

One of several northern cities working to shed their post-industrial baggage and reinvent themselves as thriving, modern metropolises, Leeds has succeeded in making itself from the mills-and-terraces stereotypes of yesteryear. With huge levels of investment underpinning its transformation, Leeds provides a fine example of what this process can ultimately achieve.

An enviable geographic position in the heart of northern England means Leeds will be one of the two northern gateways for the proposed HS2 link, while Leeds Bradford Airport is one of the ten busiest airports outside London. Leeds has already reclaimed its canals and transformed them into trendy residential districts, and thousands of new homes are also planned everywhere from the South Bank to a proposed £300 million urban village in the Kirkstall Valley. So how has this city succeeded in regenerating itself, when so many others continue to struggle?

Opportunity knocks

Opportunities are what set Leeds apart as a great place to invest. Calling it "a buzzing city with a strong economy", Jo Fox, Leeds-based property investor and founder of Invest Leeds, observes "There are three universities of which two are world class, and 31% of working-age people are educated to degree level." Jo additionally cites the city's favourable geography, with excellent rail services to other northern cities and London; seven million people live within a one-hour drive of Leeds.

As the UK's largest financial centre outside London, Leeds has the country's fastest-growing workforce, while a buoyant jobs sector supported a 50% rise in commercial/mixed-use property transactions during 2015. According to Andy Norman, local property investor and Leeds Property Hub Meetup leader, the city's success is largely attributable to its employers: "Leeds has fantastic property fundamentals, with lots of investment in infrastructure and by business. It's a key part of the 'Northern Powerhouse', and most of the city is booming."

The price is right

Yet as Jo points out, this hasn't triggered the property price spikes seen in other successful regions: "The average house price is much lower than other parts of the UK while rental demand is high, which means there are great returns to be had." According to the most recent Hometrack House Price Index, Leeds has seen property values rise by 7.6% over the last year, yet average prices remain just over £150,000.

Within Leeds, there are numerous micro-markets and distinct areas of demand. Headingley is the centre of the student universe, though undergraduate HMOs also perform well in Woodhouse, Hyde Park and parts of Burley. Horsforth's café culture and impressive transport links have made it the young professional's favoured address, while Chapel Allerton, Oakwood and Roundhay are other prestigious districts. Extensive waterside regeneration has made the LS1 and LS11 postcodes popular with city workers and professional tenants, although prices are relatively high here and the quality of Noughties apartment buildings varies widely.

The generation game

For some landlords, more established districts of Leeds may represent safer territory. The timeless terraced houses of Armley and Kirkstall continue to offer respectable yields, with the latter experiencing steady growth in demand thanks to the new Kirkstall Forge train station and its ten-minute journey times into the city centre.

The famous Kirkstall Abbey, a short ride from the city centre.

Focusing on housing association tenants can deliver healthy returns, according to Mark Dunsmore, a Leeds-based property sourcer and founding director of Goliath Property Solutions: "A big draw for Leeds is that it has one of, if not the highest, LHA rate in the north of England. This means investors that are prepared to take on these tenants can benefit from excellent rental yields. Harehills, Beeston, Middleton, East End Park and Hunslet are mainly LHA and working class, making these areas ideal for good rental yields."

Another advocate of the low-end Leeds market is property entrepreneur Shiv Haria, who has acquired numerous two and three-bedroom properties in working-class suburbs for between £65,000 and £75,000. After spending up to £15,000 on refurbishments, he typically achieves between £530 and £650 per month from housing association tenants. Four to six-bedroom HMO properties in popular student areas can achieve over £2,000 per month in rental income, though an Article 4 Direction applies across most of the inner city suburbs.

Some traditionally working-class areas are experiencing the first flushes of gentrification, with Meanwood, Burley and Headingley beginning to attract graduate professionals who want to maintain shared living arrangements before they start climbing the property ladder. While Armley's back-to-back houses rent well to blue collar workers, neighbouring streets of larger Victorian terraced villas are increasingly appealing to professionals as well. Even the former LHA stronghold of Holbeck is seeing positive changes, as Jo explains: "Holbeck has its issues, but some parts are up and coming. Areas close to the city centre attract young people, and there are many developments springing up that achieve high-end rents."

Looking to the future

Teward Property specialises in converting former commercial premises and brownfield sites into residential use, and co-founder Graham Tew believes the city's future plans are crucial to maintaining current levels of demand throughout Leeds: "Yeadon, Guiseley and Horsforth are areas ripe for capitalising on the continuing expansion of the airport. Leeds is a very progressive city, and it has the potential to attract high-quality businesses with ambitious plans for growth over the next 20 years." John Lewis will be one of those blue-chip companies, anchoring a forthcoming £165 million shopping complex beside the Victoria Quarter that will further enhance the city's extensive retail and leisure portfolio.

Shiv also cites HS2 as a key driver of future growth, pointing out that sub-90 minute journey times between London and Leeds will bring huge benefits to the UK's second-largest legal and financial hub. The proposed HS3 rail link would do likewise, creating an east–west axis stretching from Liverpool to Hull and delivering half-hour journeys between Leeds and Manchester. And until these high-speed rail links are realised, Leeds can already lay claim to a winning blend of attributes – from strong employment to an impressive and reasonably priced housing mix.

SITES FOR SORE EYES

The general shortage of new residential developments in Leeds is being tackled as a number of high-profile projects break ground or wait to leave the drawing board. These are some of the schemes to watch out for:

1. Kirkstall Forge

This urban village will flank both banks of the Aire, with a dedicated train station offering rapid services to Leeds, Bradford and Manchester. A commercial hub and outlying leisure amenities will support over a thousand new family homes.

2. Temple Quarter

Much of the activity in Leeds is concentrated on the South Bank area, with Temple Quarter alone worth an estimated £350 million. Details remain sketchy about the plans for this mixed-use development across 5.8 acres of land.

3. Granary Wharf

A £55 million mixed-use city centre development will see 250 homes being constructed beside Carillion's existing Tower Works development, immediately south of the train station. Offices, bars and restaurants will also be created.

4. Tower Works

The regeneration of Holbeck continues with a mixed-use masterplan for the old Tower Works factory. The plans incorporate commercial and retail space beside apartments, three-bedroom duplexes and triplexes, plus four-bed townhouses.

5. The Calls

Many new apartment developments have already been completed along this riverside road, and 49 Calls Wharf will host three apartment buildings fronting onto a riverside piazza and a café/bar/restaurant complex.

6. Wellington Street

The former Yorkshire Post HQ could be transformed into 237 private rental properties. Equal numbers of one and two-bedroom flats would occupy an 11-storey building, with a triangular residents' garden overlooking the River Aire.

THE BIGGER PICTURE

Leeds stands at the heart of five metropolitan boroughs, and some of its neighbours also deserve consideration as investment centres:

Bradford

Bradford is still undergoing the process of urban regeneration that Leeds has largely completed. Despite temptingly low prices, districts like Manningham are best avoided, though the characterful Little Germany district is ideal for mid-market rentals. Surrounding villages like Haworth and Bingley combine Yorkshire charm with affordable prices for decent housing stock, and BD10 is a sought-after postcode.

Wakefield

With an impressive arts pedigree and excellent rail links to Leeds, Wakefield represents an intriguing option. Its stock of period properties ranges from compact terraces to huge detached villas, while the population of just 75,000 makes it one of England's smallest cities. A two-bed flat in the city centre often costs less than £100,000, with commuter hotspots like Crigglestone and Sandal appealing to families.

Dewsbury

Despite well-reported social issues, Dewsbury features the architecture familiar from surrounding towns: attractive two-storey terraces of stone-built houses, which can be purchased for as little as £50,000. Modern equivalents typically retail for twice as much, while grand properties line the leafy streets between Halifax Road and Heckmondwike Road, north of the town centre's improving retail offerings.

Next steps

- Get along to our Leeds Meetup to meet a room full of local experts: propmag.uk/meetups.
- Listen to our podcast on the Northern Powerhouse: propmag.uk/powerhouse.

CASE STUDY

Derby property developer and landlord Ash Karamucki discusses a tenancy that went badly wrong – and explains what happened next...

By Neil Cumins

Nightmare tenants, glum landlords

Fans of late-night Channel 5 programmes will know that nightmare tenants can generate entertaining television. Unfortunately, they can also make being a landlord seem pretty thankless. Arrears and evictions claim all the headlines (and the documentary footage), but the clear-up and renovation that often follows a "bad" tenancy can drag on for months.

From Derby to the Danube

Such concerns were the last thing on Ash Karamucki's mind when he left his native Derby aged just 18, and plunged headlong into the Bulgarian property market. A year before Bulgaria's accession to the EU, and two years before the global banking crisis, this hitherto untapped market was regarded as a potential goldmine by many seasoned property investors.

Ash takes up the story: "Bulgaria caught my attention after I realised it'd be some time before I had the finance to take on a development in the UK. I packed my bag and gathered every last penny I had saved, and ventured alone into Eastern Europe. I acquired several properties prior to Bulgaria joining the EU in January 2007, but the markets collapsed shortly afterwards, and I failed to secure the funds to develop. I managed to sell my Bulgarian properties in 2013, but at a significant loss. Financially, I was wiped out."

Ash Karamucki.

> **"By this stage, alarm bells were ringing: 'I was informed by my letting agent that a property inspector had been to the property, and the tenant was evidently there. On attempting to enter the property, he found the only access had been barricaded, making entry to carry out the arranged inspection impossible'"**

Bruised but unbowed, Ash returned to the UK. A chance meeting in a local bar with a veteran property investor created an instant friendship, and also gave Ash the opportunity to study the UK investment market first-hand. After a couple of years working with his mentor, Ash saw an opportunity to branch out on his own: "I took on my first development in 2010 – a typical 1890s two-up-two-down terrace. Alongside a full-time day job, this development consumed me for another 40 hours a week."

Second time lucky

In September 2011, Ash purchased his second project: a repossessed 1980s one-bedroom property. Situated on a pleasant suburban street in Alvaston, this £53,000 investment attracted a tenant within days. For the next three and a half years, the property recouped a steady income of £350 per month without issue, but when Ash proposed a modest increase in the monthly rent, things started to go wrong...

"I decided it was time for a £25 monthly increase when renewal was due, and my letting agent informed me the tenant was happy to renew at the increased rate. However, the tenant then failed to sign renewal documents or respond to any correspondence. A couple of weeks later, the gas safety inspection was due, but again, the tenant was unresponsive and made access to the property difficult." By this stage, alarm bells were ringing: "I was informed by my letting agent that a property inspector had been to the property, and the tenant was evidently there. On attempting to enter the property, he found the only access had been barricaded, making entry to carry out the arranged inspection impossible."

Private (rental) detective

Determined to resolve the impasse, Ash turned detective and monitored the property for a few days. He arranged for an inspector to come round when the tenant was likely to be at home: "Having given the tenant notice of our intended visit, I thought negotiations to enter the property might take some time. However, it appeared the tenant had neglected to read the hand-delivered notice of intended inspection, and entry was achieved without confrontation. On inspecting the property, chatting with the tenant and considering the mounting arrears, I made the decision to proceed with repossessing the property."

A Section 21 notice seeking possession was served in February 2016, as Ash explains: "I immediately made preparations with my solicitor in anticipation of the tenant not leaving. Much to my surprise, shortly after notice had expired, the tenant vacated, and the real work could begin."

A developing picture

With the tenant evicted, Ash was able to repair the damage to his property. A lack of ongoing maintenance meant extensive internal works were required, along with repairs to the outdoor space. Including the installation of a new kitchen and bathroom, the development would take four months: "I undertook the vast majority of the work myself, while also working

WATERMEADOW ROAD, ALVASTON, DERBY

Purchase price in September 2011: £53,000

Deposit: £9,700

Mortgage advance: £43,300

Additional purchase costs (survey, mortgage arrangement fee, etc): £1,930

Redevelopment costs (including materials, labour and travel): £4,080

Selling agent fee: £1,194

Selling legal fees and disbursements: £660

Sale price: £79,995

Profit on sale: £19,131

Total return 2011-2016 (including net rental income): £25,504

The bathroom needed completely re-installing: left – before and right – after the work.

full-time. I had assistance from my father, brother and girlfriend, all of whom invest in property and were happy to help out. Central heating servicing, flooring and garden waste clearances were outsourced to contacts I've built up good relations with."

Costs were strictly regulated and financed with cash. After completion of the remedial and upgrading works, the property was given an estimated rental value of £450 per month – £100 higher than the original rent. It also attracted an estimated sale value of £80,000, even though Ash had intended to finance and re-let the property. Having subsequently decided to market it at £79,995, he received and accepted a cash offer for the full asking price within a week, enabling him to embark on another, larger development with greater scope for capital gains.

Passion bears fruit

It would be easy to lose heart from a bad experience with a tenant, but Ash remains passionate about property development: "There have been many ups and downs along the way, but my passion has never faded. I source my properties via local estate agents, looking to pay 10-15% under the asking price. I only acquire local properties, as experience has taught me that having my investments where I can keep an eye on them offers significant advantages."

Ash has a parting suggestion for anyone planning to follow in his footsteps: "If you want to succeed in the property business, you need to be prepared to fail; if you don't fail at the first hurdle, you will at some point. It's the way you use the experience of failure that will determine if you will prosper. If a plan doesn't come together the first time, evaluate why – and don't make the same mistake twice."

> "With the tenant evicted, Ash was able to repair the damage to his property. A lack of ongoing maintenance meant extensive internal works were required, along with repairs to the outdoor space. Including the installation of a new kitchen and bathroom, the development would take four months."

Next steps

- Listen to our podcast on how to handle a nightmare tenant: **propmag.uk/nightmaretenant**.
- Brush up on your knowledge of lettings law: **propmag.uk/lettingslaw**.
- Tricky situation? Ask for help on the Property Hub forum: **thepropertyhub.net/forum**.

If you have an interesting property case study (good or bad!), we'd love to feature your story. Email us with some information and photos, and we'll get right back to you: **hello@thepropertyhub.net.**

The ultimate

What are they, how much do they make and what's involved? Felicity Hannah finds out everything a would-be HMO landlord needs to know...

guide to HMOs

The UK housing market is undergoing a seismic shift. People are renting for longer, relocating more often for work, and seeking more flexible and affordable accommodation that matches their increasingly transient lifestyles. These changes have caused an explosion in demand for "houses in multiple occupation," more commonly known as HMOs.

Of course, rising interest in HMOs is nothing new: official figures show there was a 25% increase in the ten years prior to 2014 alone. However, due to recent changes to tax breaks for UK property investors, many are looking for ways to generate higher profits from their investments.

Property investors' growing interest in HMOs is matched by growing demand from tenants. Figures from the website Spareroom.co.uk show that just 31% of adults living in shared accommodation could afford to rent on their own if they wanted to. Communal living has become standard among young professionals, students and single people living on benefits.

So what exactly are HMOs, and how much work do they involve?

Simply put, HMOs are homes shared by several unrelated individuals, in which certain facilities are shared. While HMO types and situations vary, they all involve challenges that are unique to HMO lettings.

The work

"Every element of an HMO is more demanding than with a normal buy-to-let," says The Property Hub's Rob Dix. "On the face of it, it's just a bigger house with a lot more bedrooms, but the management of an HMO is a specialist skill. You have different people moving in and out at different times; you have increased legislative requirements like licensing; you have to think far more carefully about the location.

"Really, HMOs should be thought of as landlording-plus – it's a much bigger ball game."

WHAT IS AN HMO?

An HMO is a property that's rented out by three or more people who are not all part of the same family and who share facilities like the bathroom and kitchen. A "large" HMO is one that's at least three storeys high, that's rented out to five or more people who aren't all part of the same family, and where the tenants share facilities like a kitchen, bathroom and toilets.

Chris Norris, head of policy, public affairs and research at the National Landlords Association, agrees and cautions would-be HMO landlords to think carefully about the workload before investing: "While it is certainly true that the potential ROI is higher for shared accommodation, they also represent the highest workload for landlords as they require more intensive management and often suffer much higher churn than single household properties."

There are three major HMO markets, and you need to know which one you're targeting. There are students (usually seen as the easiest to manage), working professionals (who expect very high standards), and social housing tenants (who can be harder to manage).

However, John Stewart, policy manager for the Residential Landlords Association, says HMOs are not just about increasing income. They can also give investors a more secure foot in the market because, in the right areas, demand for single rooms is so great.

Principally, of course, it's the opportunity for a greater yield or return on a property," he says. "If you're letting a three or four-bedroom house on a single let then you'll get less rental income than if you let it as a set of separate rooms. Look at Manchester: a two-bed terrace there will typically attract £500 a month, but that could be a three-bedroom HMO bringing in £900 a month.

"There are other considerations, too. With benefit changes and issues around affordability, renting a single room is more affordable for many people than trying to rent a one-bedroom flat."

With an HMO, the gross yield can be brilliant – but you have to factor in the higher overheads, too. There will be council tax, insurance, the cost of the licence, and the increased cost of setting it up in the first place. And don't forget that when you come to sell it, you may have to convert it back into a family home to get the best price.

The law

All landlords should familiarise themselves with the law regarding their properties, but with HMOs, there is more to understand and factor in. Large HMOs and all HMOs in Scotland require a licence, and many smaller HMOs are also subject to licensing because the local authority has imposed additional rules.

HMOs are homes shared by several unrelated individuals, in which certain facilities are shared.

> "Principally, of course, it's the opportunity for a greater yield or return on a property ... If you're letting a three or four-bedroom house on a single let then you'll get less rental income than if you let it as a set of separate rooms."

A licence can cost anything from a few hundred pounds to as much as £2,000, depending on the location, and it lasts for five years. Landlords need a separate licence for each HMO they run, and there may be restrictions on who can hold one – for example, a landlord with a criminal record might be refused.

To maintain a licence, landlords have certain responsibilities. They must send the council updated gas safety certificates every year, install and maintain smoke alarms and provide safety certificates for all electrical appliances if the council asks to see them. And additional conditions may be required for licensing in certain areas.

Requirements can vary because some councils have extended the licensing requirements to include all HMOs, making it really important to check with the local authority before doing anything else. One very simple way to find more information is to search the web for both the name of your local authority and "HMO", as this will usually bring up a dedicated information page from the relevant council.

The most important thing to watch out for is whether there's an Article 4 Direction imposed on the area you're considering, which can make it difficult – or even impossible – to set up a new HMO.

WHAT DOES ARTICLE 4 MEAN?

In 2010, the government gave councils the right to limit the number of HMOs in any one geographical area. Councils may decide to limit the number to 10% of housing or to simply stop any further developments in an area with a lot of HMOs already. Would-be HMO investors can still buy existing HMO properties as a going concern, but the price of such investments almost always rises once restrictions are in place.

The property

"Finding the right property is always key to making money through property, but there can be more subtle issues with HMOs", says Rob. "For example, you might choose a property that's just one road further away from the station, or university, or other draw. But that might be one road too far, and you won't get the demand you expect."

Discussing demand and location with local letting agents and other landlords, as well as researching online how quickly rooms are let, are two ways for landlords to familiarise themselves with an area, he suggests.

Then an investor has to decide whether to turn any reception rooms into additional bedrooms. A number of factors may come into play here, including the size of the kitchen – which could double as a communal area – and the anticipated rent.

High earners paying for a premium room will also expect a well-furnished lounge and probably an en-suite, while some prospective tenants will be more interested in finding a room with a low rent than what amenities it offers.

Some investors, including our case study on page 39, can successfully blend a mix of differently priced rooms in one house, including some en-suites and some that share a bathroom.

However, it's still important to mix like-minded tenants or risk dealing with extra hassle and the expense of people leaving the property if they clash. Most HMO management companies and landlords agree that mixing different client bases like professionals and students rarely works because of their different needs and lifestyles.

New investors concerned about getting all this right may prefer to buy an existing HMO. This requires a great deal of due diligence, such as checking vendors' claims about the income it generates, but it can be a relative "shortcut" into the market.

Deciding how much to pay for an existing HMO, however, can be difficult because it's not just the value of the property itself that has to be considered; it's also the value of the HMO as a going concern. An experienced mortgage adviser with knowledge of HMOs may be able to offer guidance on lenders' likely valuation of a property.

The money

Getting mortgage advice early on is essential with an HMO investment because some lenders have tighter rules on this kind of property, and many won't lend at all.

"You really do have to get the right advice," says John. "In my experience, there are a number of areas where people fall down with HMOs – not realising there are special conditions, not realising they need to check planning permission and not realising they need to be upfront with their mortgage company about the fact they are looking at an HMO.

"You can't simply take a standard buy-to-let mortgage and create an HMO; you must be upfront and clear when speaking to lenders, or you could get into difficulties."

WHAT A LENDER MIGHT CONSIDER

- Location
- Tenant type
- Landlords' experience
- Deposit
- Property value
- Rental income

Chris warns that investors are more likely to run into difficulty with larger or licenced HMOs. "In the case of 'small HMOs' it need not vary considerably, as these types of property often move from HMO to single occupation depending on the particular tenancy. In these cases, assuming there is no discretionary licensing or planning restrictions in the area, all a landlord needs do is inform their lender about the status of the property.

"Where licensing exists, or in the case of larger HMOs, the proposition is different – and the risk is evaluated by lenders accordingly. Most lenders consider these types of investment more risky as the resale market or receivership circumstances can be less certain than in relation to 'family homes'. Landlords will generally need to identify HMO-specific products or commercial finance in order to fund such purchases."

You can read more on mortgages for HMOs on page 34.

The costs

Experienced HMO owners with an existing portfolio often say they look at the price of a room rather than a property. That can be a key factor in deciding whether they leave a communal lounge or turn it into an additional bedroom.

However, there are also the costs of setting up a new HMO to factor in. Compared to a typical buy-to-let, there are additional safety requirements and licensing costs will add to the expense of setting up the new property – and may also contribute additional ongoing costs.

In terms of setting up a new HMO for professional tenants, one HMO landlord we spoke to suggested typical figures of around £400 to furnish each bedroom and reception room, and around £500 for the kitchen. Of course, the costs vary considerably depending on the desired tenants.

HMO tenants also expect bills to be included, since – with tenants frequently moving in and out at different times of the year – it would be impossible to manage otherwise. The experienced landlord recommended budgeting around £400 a month for bills on a four or five-bedroom house, as well as saving for the cost of ongoing maintenance. An HMO is often more hardwearing on a property, meaning higher potential maintenance costs simply to stay on top of the wear and tear.

It's also important to remember that an HMO is usually a long-term investment, which can leave the potential for costs to change in the future. A mortgage lender will consider how well a would-be HMO landlord could weather a rise in interest rates, but there are other potential changes that it's worth stress testing. For example, Jim Moulton from Shawbrook Bank thinks councils may try to increase the revenue they collect from HMOs.

Jim points to potential council tax changes as a significant issue: "Some of the councils are quite switched on about this," he says, "and they're implementing it. They are making changes such as council tax per room rather than for the dwelling as a whole. This will take a huge dent out of property investors' profits."

The tenants

While tenant churn may be higher with HMO than with a more typical buy-to-let, landlords still can't let standards slide just to fill rooms.

"You have to choose the right tenants, and, ideally, you have to think about the personality and dynamic in the house when you're choosing them," says Rob. "Put the wrong person into the mix, and you could end up with lots of hassle and then losing good tenants sooner than you otherwise would. Don't just fill a room so you don't have a void; that kind of short-term approach just doesn't work with HMOs."

Different types of tenants require different standards of finish: professionals may well expect a highly polished home with a good TV, quality furniture and art on the walls. Students are also increasingly picky, and in oversupplied areas, attracting them may require spending more up front on furnishings and finishes.

"Different types of tenants require different standards of finish: professionals may well expect a highly polished home with a good TV, quality furniture and art on the walls."

Potential investors can also talk to local agents and landlords about demand in an area.

And with an increased number of customers comes an increased number of responsibilities. Managing an HMO can be demanding in ways that new landlords don't expect – one HMO landlord told us he sometimes felt more like a social worker than an investor, as he is so often called upon to mediate between his tenants.

John says it's important to have a realistic understanding of how much work is involved. "Shared accommodation is often more labour intensive. There are greater opportunities for voids, and tenancy changeovers may not be on the same cycle. If you are letting individual rooms to strangers who don't know each other, there are additional management issues that come up. So they do take more time, they are more intense. There's much more potential for voids and conflict."

The agent

Many landlords will wonder if they should use an agent to manage their first HMO for them. An experienced agent can be an enormous help; they can assist would-be investors to find and set up their property, as well as manage it. But that doesn't mean the investor can relax.

"It really is a personal decision whether or not to use an agent," says John, "but ultimately the responsibility for legislative compliance rests with the landlord. If you do use an agent, choose carefully – and make sure they're a member of the Association of Residential Letting Agents (ARLA) and participate in some sort of financial redress scheme.

"Management of an HMO can be intensive, and so you may want to hand over to an agent – but if they do something wrong, then you as landlord are responsible. You may have recourse against your agent, but ultimately it's your responsibility. Finding an agent you have confidence in is essential if that's the route you choose to take."

Fees for managing an HMO can be higher than with a standard buy-to-let, since there's usually more work involved. Many agents will charge a fee for every new tenant and a management fee of around 15%, although this can vary hugely, depending on area and demand.

What next?

A good first step for property investors who are considering moving into HMOs is to talk to existing landlords in their area. The Property Hub hosts free monthly meetups in cities and towns across the UK, which are not selling opportunities but simply informal, friendly get-togethers (usually in a pub) of everyone from newbies to experienced landlords.

Potential investors can also talk to local agents and landlords about demand in an area, and browse the rooms available via websites like SpareRoom. It's a rough and ready way of determining demand, but it can give an indication of suitable costs, standards and locations for an area.

Both the Residential Landlords Association and the National Landlords Association have online guides, some of which are free to non-members, and there are many web-based forums and chat groups where landlords can share tips and experiences with each other.

Ultimately, potential landlords need to decide if they have the time, energy and organisation required to make an HMO work. "HMOs can be a really profitable investment for a hands-on landlord," concludes Rob. "But if you want an easy investment, if you're not good at managing your admin, or if you don't have much time to spend on one, then it's probably not the right investment for you."

Now that you know almost everything you need to start considering an HMO, all that's left is to figure out whether it's suitable for you.

Next steps

- Read about one HMO landlord's automation and systems in Issue 5. You can access back issues via your account at thepropertyhub.net.
- Listen to our episode about how to make HMOs work for you: propmag.uk/hmohacks.
- Check gov.uk and contact your local authority for more guidance on your legal requirements.

CASE STUDY

Making multiples

Take a property and make it multiply. It's a simple strategy and one that's proving hugely successful for property entrepreneur Jamie Brewis.

By Christine Toner

Renovating the existing house and building another on the same site.

Jamie Brewis has just one rule when it comes to property development: "Keep things simple." He likes all his projects to be within two miles of his home in Upminster, Essex – a strategy he's employed ever since buying his first property in the Hornchurch area back in 2001. The two-bed semi-detached bungalow wasn't just his first foray into property investment: it whet his appetite for development and renovations.

A City trader by profession, Jamie initially got involved in property as a side project. Employing the skills of his carpenter brother and a builder who was a family friend, he started renovating small houses as a hobby.

"There isn't the money in this now," says Jamie. "I only buy sites I know I can get multiple dwellings on."

Jamie's strategy is simple: Seek out sizeable plots, and develop more properties in the space than currently exists – "the only way to make real money," he says. It's proven to be highly successful – not least because his chosen area is very much sought-after and set to see demand increase with the introduction of Crossrail in 2017.

"I'm currently building a block of nine flats in Hornchurch, near Gidea Park Station," he says. "There was one large house on the site originally. With a lot of negotiation and hard work I managed to obtain planning permission for nine luxury flats. Without Crossrail, the flats would be valued at circa £200,000 a piece. I've sold five out of the nine flats, off plan, in the first week of marketing for circa £400,000 each, simply because Crossrail is coming to Gidea Park railway station, allowing access to central London in 20 minutes and West London in half an hour."

Taking risks

But his journey as a property developer hasn't all been smooth sailing and successful sales. In 2007, Jamie made the decision to leave his highly paid job in the City and get into property full time. It was a bold move – one made all the more difficult by the timing of the global credit crunch, which had brought the property market to its knees within months of his decision. Ever the optimist, Jamie saw the opportunity within the crisis.

With fewer investors competing for available properties, there was more space in the market for newcomers like Jamie. And being in a position to accept greater risk also gave him an edge. At a time when his three daughters weren't yet born, he cobbled together a deposit on two good-sized plots in Upminster by maxing out credit cards and taking out personal loans. "Luckily enough," he says, "it's not a position I have to put myself in now."

A break from the norm

His most recently completed project – converting an Edwardian semi purchased in 2014 into flats – may seem rather tame for Jamie. But it's actually taken him out far outside his comfort zone – and broken his rule of staying close to home.

While visiting his architect's office in Romford, Jamie came across a dilapidated early 1900s property which seemed primed for redevelopment. The property, on Clydesdale Road – a 20-minute drive from his

CLYDESDALE ROAD, HORNCHURCH, ROMFORD

Purchase price in November 2014 at auction: £550,000 (paid cash)

Stamp duty and other associated costs: £20,000

Redevelopment costs: £353,000 (paid cash)

Rent received per month: £6,850

Yield achieved: 8.9%

home in Upminster and twice as far as he would usually look for properties – was being sold at auction with a guide price of £350,000. Unfortunately, Jamie wasn't the only would-be buyer to see its potential.

"I ended up paying £550,000 for it, there was that much interest," he says. "But I knew I wanted it, I was coming to the end of another development, and I didn't have another coming along for another six months as it was awaiting planning permission. I had to have my team do something, so I thought 'Let's see what we can do.'"

"It was a very run-down building. It was already converted into three flats, but it didn't comply with building regulations. It also had a block of three garages adjacent to it. I knocked the garages down and got planning permission to build a new house next to the original property, featuring two self-contained flats," recounts Jamie, taking the number of flats from three to five. He was also able to get planning approval for an extension into the original roof of the building, creating room for another flat and doubling the total number of housing units to six.

Unsurprisingly, new construction proved to be less time-consuming than refurbishments on the property. Observes Jamie: "It took my guys twice as long to bring the existing building to current building regulation standard as it took to build the new dwelling, thanks to a number of issues – bowed ceilings, damp problems and an unsupported chimney in the loft, to name a few. The site now contains four two-bed flats and two one-bed flats. These flats have been retained and let for a combined rent of £6,850 a month. The build was refinanced with mortgage lender Axis Bank, with the flats being let to working professionals."

Jamie now lets all six of the properties, achieving a yield of 8.9% – pretty impressive when one considers that the average yield for a one-bedroom flat in Romford is closer to the 7% mark.

Although the property was bought in 2014, it wasn't completed until May of this year, due to another development project that was already underway at the time of purchase. In total, Jamie estimates that around 12 months were spent actually working on the property. Despite having been a relatively smooth process overall, the project wasn't without its hiccups.

"At one point, we had to hire a night watchman to effectively live on site, as we'd had a couple of burglaries," says Jamie. "But on the whole, there were no major surprises. The guys I employ, the architects and builders, we've all worked together for years, so we know what we're doing."

Lessons learnt

It's now almost ten years since Jamie left his successful trading career to become a full-time property investor. He manages his 23 rental properties himself and has amassed a property portfolio with a value of £15 million. He's also built and sold 59 other properties. He puts his success down to the skills he developed as a trader, combined with the attitude to risk he's developed over the years.

"It's important to take the rough with the smooth," he says. "There's always going to be good, and there's always going to be bad. I've lost money on property, but I've also earned a lot from property." Keeping a keen eye towards the future, Jamie carefully maintains a buffer against the vagaries of property investing: "I don't leverage above 50% LTV on my rental properties, so if there is movement in the market, I should be able to ride the storm."

The completed properties.

If you have an interesting property case study (good or bad!), we'd love to feature your story. Email us with some information and photos, and we'll get right back to you: **hello@theproperthub.net.**

Investors without borders

Why limit yourself to Britain? The globalised property market offers huge potential – from Tasmania to Torremolinos. Christopher Nye speaks to local experts from across the globe about opportunities (and pitfalls) to watch for.

While investment properties outside of the UK can often be had for less than here at home, foreign investment requires extra time and effort on your part and comes with additional risks. Before investing in any foreign property, consider the ramifications of working within that culture – with different legal and political systems – and approach any investment in non-UK property markets with an abundance of caution.

SPAIN

Following the financial crisis, Spain was a byword for property investment disaster. Massive overbuilding left half a million new homes standing empty, banks teetering on the edge of collapse and youth unemployment hitting 50%. Mark Stucklin, editor and owner of the long-standing Spanish Property Insight (spanishpropertyinsight.com) website, has never held back on the disaster facing Spanish property. Now, even he is optimistic: "You have to be clever about it, but in some segments, the investment fundamentals are there in Spain. The economy is recovering; there is demand for property from all over the world, not just the UK; prices are very attractive compared to other western countries, and Spain is safe and stable. Prices appear to have bottomed out, and there is good case for capital gains in some areas. It does look like a new cycle is starting."

Yields are not spectacular – 3-4% is about average, says Mark, while transaction costs can reach 10%. There is a "utility value" to consider, however. This isn't like buying an apartment in Azerbaijan: "Owning a villa on the Costa Blanca is about more than just the numbers." For capital gains, Mark suggests the best opportunities are in the busiest tourist areas and the regional capitals: Ibiza, Marbella, Barcelona, Madrid and Valencia – although investors should beware of controls on holiday rentals, with Airbnb rentals under fire from tourist authorities.

Spanish tourism has been the accidental beneficiary of terrorism and unrest in North Africa and Turkey, and that's bound to filter into the property market – especially in the relatively safe islands of the Balearics and Canary Islands, where strong building controls make it hard to increase supply. "Anywhere on the Spanish coast is a good long-term bet," says Mark. "The places to avoid are those empty properties in the interior where there is population decline, excess supply and just no demand for it today or in the future."

AUSTRALIA

In some ways, the Australian property market will be very familiar to a British investor: overseas investment has led to a high-rise apartment-building bonanza, locals have been priced out of the inner cities and, says Kieran Clair, Editor of Australian Property Investor magazine (apimagazine.com.au), "Property is one of the ways that people have used to acquire vast wealth in Australia."

Kieran recommends aiming for the state capitals: "If the property has all those usual fundamentals like good transport links, it will make a good return long term. You can get a reasonably good, detached property five to ten kilometres from the CBD (Central Business District) in Brisbane for around A$500,000 (£287,000). That's good, solid, rentable real estate that will rise in value. In Sydney, that would be around A$1million, but in a city like Adelaide, that would be A$400,000."

The complication for British investors is that we don't have an automatic right to buy property and must be approved by the Foreign Investment Review Board (FIRB). In some areas, foreigners are restricted to buying new build or off-plan.

"There are some worries about affordability in Sydney," says Kieran, "and we may have overbuilt new units [flats] too. But for resale rental property, you can still find a gross return of 4.5-5%, and in good areas, you will see some growth."

If you have the money, he says, "Aim for Sydney. Or Melbourne if you can get a detached home close to the city. Brisbane offers great value within 5-10 kilometres of the CBD." His wild-card suggestion is Tasmania; "A beautiful spot and a good option if you can get close to Hobart."

The buying up of its commodities by booming Asian economies spared Australia from the global recession; however, the Chinese slowdown has hit northern and western Australia hard, especially its property market: "Be cautious with Western Australia, Perth and the Northern Territory," says Kieran. "Particularly one-industry towns, and there are plenty of them, like Moranbah, where the mining boom has ended."

For British investors, Kieran recommends avoiding valuations conducted from afar: "Get local advice from a property valuer, our equivalent of RICS. You can avoid paying $50,000 too much for a property just by paying $400-600 for a property valuer, who will also advise on where you should be buying."

GERMANY

It may be a global economic powerhouse, but Germany has ignored global property booms (and slumps) of recent years. Uwe Falkenberg of Falkenberg Solutions (berlin-portfolio.com) explains why: "Germans will not pay high property prices. They ask how much it costs to build, accept some on-cost, but then say 'that is what the price should be, and we will pay no more'. So do not expect a UK-style property boom."

Rents are another matter, though, and high demand for property has sent them through the roof in the big labour markets: "In Munich, rents have been outrageous for some time," says Uwe. "There is limited scope for building. With lots of high-tech businesses moving in, it's getting like San Francisco: so many high-tech, highly paid people are coming to the city that local people can't afford to live in their town any more. Go north to Frankfurt or Hamburg, and rents are high, too."

Uwe admits, however, that "German property is not the place to look for yield," with the possible exception of some types of commercial: "If you can get lower-value commercial property, you should get yields of 5-6%. Most banks won't finance it for property investors, but it can be attractive for cash buyers." When it comes to residential property, if you are looking for a mix of rental and capital growth, he recommends Berlin: "Both rents and property prices have some way to catch up. Property prices in Berlin are cheaper than high-end condos in Warsaw and Prague. Berlin has a lot of catching up to do on capital appreciation."

He advises avoiding Eastern German cities such as Leipzig, where population levels are falling and vacancy rates are rising.

One reason for the German property market's docile nature is the high cost of buying. Buyers pay agent's commission as high as 5-6%. Add stamp duty, registry and notary fees, and transaction costs can easily reach 14%.

USA

It was over-optimistic and under-researched property investment in the USA that broke the world economy in the sub-prime crisis, but in the decade since, American property has been up and down like a Florida roller-coaster.

The past year or two has been all up, with capital growth of 5% across the country in the past year, according to government stats. Seattle purchase prices shot up nearly 11% in the year to April, with other notable cities being Dallas with 8.65%, San Francisco and Tampa with 7.77%, and Miami with 6.44%. Regionally, the West Coast has been the best performer, averaging nearly 9%, with the eastern states including Florida lagging slightly behind at 7%.

City-centre yields are less impressive, at around 4% in Manhattan, New York, and 5-6% in Miami.

Many UK investors have been aiming at the bottom end of the market, with properties in "rust belt" cities like Michigan, Detroit and Cleveland available for less than $20,000 but achieving net yields as high as 15%, according to UK investor Mark Morris.

Property professional David Disick (thefractionalconsultant.com), former in-law to the Kardashian clan, perhaps unsurprisingly opts for a higher-end approach: "I think the best case is for upscale resort real estate in areas like San Francisco, New York City, San Diego and Palm Springs. Think about the mountains, too – Telluride, Aspen, Vail – and the wine country around Napa Valley. The investment climate is better at over $2 million per unit. That's not a lot of money anymore for the top of the market."

Whatever the class of the property, the advantages of the USA as an investment destination include a common language, strong and transparent legal system, and the huge availability of data for investors.

EASTERN EUROPE

The countries of Eastern Europe are a bit of a wildcard. The so-called "emerging economies" of Bulgaria, Slovenia and Estonia were flavour of the month in the mid-2000s, but plenty of investors got their fingers burnt. This time around, Louise Reynolds, director of the European property investment firm Property Venture (property-venture.com), suggests: "The more central European countries in particular – Poland, Hungary, the Czech Republic – are an attractive proposition. The low prices make them very accessible to Western investors, with robust economies benefiting from trade with the rest of Europe. Poland has set up six Special Economic Zones with tax breaks for businesses that have attracted international blue chip firms to cities like Lodz and Wroclaw. All those workers need places to stay. Poland is a country that is going places."

There are tourist hotspots too, such as Port Nevi in Montenegro, attracting well-heeled lifestyle buyers. Sanctions and economic slowdown in Russia have hit resorts along Bulgaria's Black Sea coast, but Debbie Gibbs of Bower Properties in Bansko says that British buyers have been returning, buying apartments for as little as £25,000 that offer skiing in winter, golf and spas in summer, and prices that are likely to rise over the long term.

For yield, Louise recommends Poland: "You could get 5-6% yield in Warsaw and Krakow, plus good capital growth. But they have the highest prices. Go to a second-tier city like Katowice and you could get 7-8% but slightly less capital growth."

Her wildcard suggestion is Ukraine. What, the country that's at war with Russia? "It might seem a rather speculative choice," she admits, "but it has a strong and growing economy and a robust infrastructure." Beware, though, she adds: "Cheap is not the same thing as value. And that's the danger with Eastern Europe: investors see the low prices but forget the fundamentals, such as whether the economy has demand, whether companies are investing there, employing people and generating a housing need."

EGYPT

"The time to buy is when there's blood on the pavements" was Baron Rothschild's advice almost two centuries ago. Even for the bravest overseas property investors, countries in recent war zones are not really an option, but one with the whiff of gunsmoke still in the air – yet an international property buying infrastructure and strong laws – is Egypt.

Jennette Bradbury of Egyptian Experience (egyptianexperience.co.uk) says: "A smart investor will get in now while general perceptions are lagging behind the truth, which is that Egypt is a big and safe country. We have political stability and flights about to resume to Sharm el-Sheik, which is vital for people's perceptions. The investment potential is there for the long term."

When it comes to yields and capital growth, Jennette admits that seeing results may require patience: "Right now there isn't much of either. But when mass tourism returns, you can expect both. Prices have not dropped that much – maybe 5-15% – and were pretty low to start with. You might get better terms, though, such as longer low interest payments on off-plan property."

Jennette recommends looking at well-established tourist spots: "Upper Egypt on the Nile, particularly Luxor and Aswan, have been tourist destinations for hundreds of years. On the Red Sea, I would say Sharm and the better resorts, like Sahl Hasheesh and Marsa Alam, where they had a vision and strong planning rules. There are also good developments on the Mediterranean coast."

Her suggestion is to avoid downtown Hurghada ("too many unfinished buildings") and any land designated for Egyptian buyers. "In these areas, developers are allowed to build on 65% of the land. That doesn't leave much room between homes after roads and paths are put in. On 'tourist' designated building land, you can only build on 25%, so it's nice and spacious."

Have maths – will travel

Property outside the UK is generally cheaper – and it has less competition from other investors. As our experts have highlighted, however, the key to success abroad is to stick to the market fundamentals, and invest where there is a growing economy and the potential for rising demand. That may be countries like Egypt that seem ready for stability and new growth. Or it can be old favourites like Australia, poised to benefit from a resurgent Far East. Maybe it's time to book yourself an air ticket?

Next steps

- Listen to our podcast episode on overseas investment: **propmag.uk/investingabroad**.
- Ask for advice on The Property Hub's forum: **thepropertyhub.net/forum**.

PROPERTY GEEK

Predicting the unpredictable

You don't need the wisdom of Nostradamus to make sense of the complex forces that drive house prices. **Rob Dix** explains how a little maths-magic can help bring it all together to inform savvier investment decisions.

When it comes to house prices and rent levels, everyone has an opinion. But given the number of column inches and dinner party conversations devoted to the subject, it's surprising how little thought most people dedicate to why things are they way they are – and for evidence to support their assertions about what might happen next. Vague ideas about "not enough houses" and "greedy landlords" are often trotted out – and while both of those play some part, the true picture is a little more complicated.

As part of the annual renewal of my geek badge, I've given some thought recently to why prices and rents move as they do. Although the model I've built in my head is incomplete, untestable and likely inaccurate in places, I still think it has value – as a more reasoned approach than decision-making based on dogma or hearsay – even if I can't tell you exactly what's going to happen and when.

What determines rents

Contrary to popular/media belief, rents aren't set by landlords on a whim – and with thousands of individual owners making up the property market in each town, they can't act as a cartel. In reality, market rents are determined by two main factors: local wage levels, and the balance of supply and demand.

Local wage levels are important because they determine the practical maximum the average person can afford to pay in rent and still have enough left over to pay their other bills: if the average wage in a town is £1,500 per month, you're not going to get many takers for a luxury one-bedroom flat priced at £1,250 per month. In another town with an average wage of £3,000 per month, it'd be a different story.

The common recommendation is that only 30% of an individual's disposable income should be taken up by rent, so if supply and demand are in balance, we might expect rents to settle somewhere around this level. Perhaps surprisingly, this is the case in much of England and Wales.

But when demand exceeds supply, prices get pushed up. If you imagine two people chasing one house, it's easy to see why this happens: the landlord would be acting rationally if she increased rent to the point at which one person is forced to walk away. This is what's happening in London, where some studies suggest that nearly 70% of take-home pay is taken up by rent.

So as a rule, rents tend not to swing wildly: they rise and fall in line with wages, unless something in the local economy causes people to move in or out in droves. The same, however, can't be said for house prices...

What determines house prices?

House prices are driven by three main factors: rent levels, the cost and availability of borrowing, and expectations of future price changes.

For owner-occupiers, rents and the cost of borrowing are the primary factors in the decision about whether to buy. It's pretty simple: if the mortgage payments aren't much higher than what they'd pay in rent, they're likely to buy. This also explains how house prices can rise in spite of stagnant wages (and therefore rents), when cheaper financing is available.

For investors, the same factors (rents and interest rates) are at play. Let's say an investor is willing to buy a house as long as they can earn a 5% annual return over and above their mortgage costs. We'll also assume that they borrow 75% of the purchase price, and the annual rent is £7,000.

In this scenario, if the investor is borrowing at a rate of 6%, they would be willing to pay £68,000 for the house: I won't bore you with the maths, but this is the price at which they would still make a 5% return on their money after paying their mortgage. But if the cost of borrowing was 3% rather than 6%, they would be willing to pay £120,000 for the same house: the lower mortgage payments mean they'll make exactly the same percentage return on their investment, even when paying more.

If rents increased rather than borrowing costs falling, we'd see the same effect. Following this example along and imagining that the rent rose from £7,000 to £9,000 (and the cost of borrowing was still 3%), an investor would then be able to pay £156,500 for the house and still make the same 5% return on their money.

This is extremely simplified, of course (it doesn't factor in running costs, the availability of mortgages and many other things), but it does show that house prices aren't random: they're driven by rents and interest rates.

Another factor that injects a sizeable dose of unpredictability into the system is the influence of individuals' expectations of future price changes. Investors may be willing to accept a lower return on their investment if they believe that the capital value of the house is likely to increase. Homeowners, too, are more likely to stretch themselves in terms of repayments and scrape together bigger deposits if they think they'll be "left behind" by price rises. When these expectations become extreme, bubbles form: people are willing to buy based on no return at all (or even a negative return), purely because they think prices will rise further.

What does this tell us?

Depending on your tolerance for economic theory, this might have all bored you senseless, but there is a point: understanding what drives prices can help us to make better investment decisions.

Firstly, it tells us what would need to happen in order for house prices to collapse: we'd need a major change in the supply/demand balance (affecting rents), an increase in the cost of borrowing or reduction of mortgage availability, or a change in sentiment. None of these factors is easy to predict, but – barring government intervention to restrict borrowing – it seems likely that conditions that support high property prices will remain in place for quite a while yet.

Importantly, it also tells us that prices *can't* just go up indefinitely. There comes a point when borrowing can't get any cheaper, expectations can't get any more bullish, and people can't afford to pay any more of their income as rent. To me, this looks a lot like London in 2016.

Analysing what drives prices can also give us clues about where to buy...

Is that all there is to it?

Because I'm simultaneously greedy and tight-fisted, I want high yields and a high probability of prices increasing when I invest. Looking at the underlying causes of price movement allows us to focus on where these factors are most likely to be in place.

Finding areas with high yields is pretty easy, but in many cases they're high because prices are held down by lack of buyer demand. This is the case in parts of the North East: you can buy and collect a good return, but there's little prospect of prices increasing.

For there to be the prospect of price increases too, we need to look for additional characteristics:

- Rents not being too stretched in relation to incomes
- Potential for local wage growth
- Factors that might increase demand relative to supply (such as new employers)

For reasons we've already seen, these factors will push up both rents and the prices that owner-occupiers are willing to pay. They will also attract more investors into the market, putting further pressure on prices.

Cautious optimism

Having gone through a whole load of maths and economics, we've reached some thoroughly non-astonishing conclusions: steer clear of areas where there's little room for rents (and therefore prices) to grow, and opt for places with strong fundamentals paired with relatively high yields. But while none of this will come as a great revelation, it can help you to stick to your guns and unearth promising areas when you know why (as an investor focused on a blend of growth and income) you probably don't want to be buying in Hammersmith or Hartlepool right now.

It should also give you confidence that – while measures like a piece of government legislation could throw a spanner in the works at any time – the outlook is promising. Interest rates are low, banks are keen to lend, and in much (but certainly not all) of the country there's a lot of room for prices to grow.

There's undeniably going to be a bust at some point, and it's likely to be a big one. But right now, it seems a fair way off – and by keeping an eye on the underlying factors, you'll be better able to see it coming.

Next steps

- Read Rob's new book, The Complete Guide To Property Investment: **propmag.uk/geekbook**.

Mortgage specialist David Cookson explains what investors need to know about raising finance for HMOs.

By Felicity Hannah

"In the profitable but challenging world of HMOs, David explains that there are no 'off-the-shelf' mortgage products. The lender will want to get to know the investor and to be confident that they have the experience or at least the capability needed to run the property smoothly."

MULTIPLE CONSIDERATIONS

"We get a lot of clients who want to get into HMOs because they can see the potential for a really decent profit," says David Cookson, founding partner of TC Financial Solutions. "But quite often they've not looked at the amount of work, the high turnover of tenants and the costs – and that's something that lenders will want to know they can manage before they give them a penny."

In the profitable but challenging world of HMOs, David explains that there are no "off-the-shelf" mortgage products. The lender will want to get to know the investor and to be confident that they have the experience or at least the capability needed to run the property smoothly.

"HMO is an area where the lender will really look into your background as a borrower and landlord," he says. "For example, lenders BM Solutions and Metro will consider lending to a first-time investor on an HMO basis, but Paragon requires at least three years' experience of buy-to-lets first."

And it's not just the investors that lenders can be picky about when it comes to HMOs. "The area you're buying in can make a big difference to which mortgage provider is right for you," David says. "Some will only lend inside the M25, for example. Some will be happy lending on an HMO in Hale but avoid areas like Blackpool where there's a greater chance of DSS tenants. They have far more exacting criteria.

"This is why you need a mortgage adviser for an HMO application and not just a broker. When we put an application in, we do a thorough underwrite on it. We will ask for what the lender asks for and get a thorough breakdown of information. We'll go through the rule book and identify where there are issues, then we can pre-emptively try to override them. Out of every ten HMO applications we go for, we get 9.4."

It's unusual but not unheard of for a first-time property investor to be interested in an HMO, and David says it's very possible for someone who has researched the market carefully and is ready to hit the ground running. However, their lack of experience would make advice even more essential so that they apply to the right mortgage provider.

"We had one first-timer recently, but he was a very experienced property developer, so he had a lot of knowledge. Despite that, one of the lenders we considered turned him down as too inexperienced – a real 'computer-says-no' situation – even though he knew far more than someone who's had one terrace house let for three years. Again, that shows the importance of approaching the right lender – we found him the finance at a competitive rate elsewhere."

So, you need the right mortgage adviser to help you find the right lender. But what else should a would-be borrower know?

Licenced to let

Generally speaking, a property is considered an HMO if there are three or more unrelated tenants. As a general rule, landlords must apply for a licence if there are five or more unrelated occupiers, although that can vary.

David elaborates: "Some councils have tightened the rules so that even smaller properties require a licence. Some don't want any more HMOs in certain areas and won't issue licences to new properties. It's essential that you find out the rules in your area before you start looking at potential houses or mortgages.

"Some lenders will only finance a licensed HMO, so this is another area where it's important to take advice on how you're going to fund the investment at a very early stage and from a very experienced adviser."

Pricing up the project

HMOs can be valued slightly differently from a normal buy-to-let or residential mortgage, where the value of the property is what dictates how much the investor can borrow.

David says: "This is because, overall, an HMO is a more complicated rental situation. Lots of people go in looking at the rental returns; they don't think that the room might need painting every six months, or that you multiply the chances of getting a bad tenant. However, that's the kind of thing that makes lenders more thoughtful."

And this risk means that mortgage providers will be very careful about how they value a property and will look at a number of factors. "Many lenders will value an HMO on the strength of the rental income, often something like 10x rental income," he explains, "but they will also consider the value of the bricks and mortar.

"They might consider a 90-day valuation too, i.e. what value it would have if they repossessed the property and had to sell it within 90 days. So there are a number of factors that lenders will take into account; it's not always as straightforward as with a typical buy-to-let mortgage."

A lot of work, a lot of risk, a lot of potential

So there's a lot to think about with an HMO. The potential returns might be higher, but so are the risks and workload. Yet David says he'd never try to put a client off an HMO because, done well, it can be an impressive investment.

"I wouldn't steer anyone away from an HMO, but you have to have a hard think and do your research, especially when it comes to the numbers," he concludes.

"You need to identify the right property, the right area and a good letting agent. But if you're new to HMOs, you don't have to do that on your own; we'll crunch the figures with you. I wouldn't say 'don't do it'; I'd just say 'do it carefully'. And if you manage it correctly, then an HMO can be extremely profitable. Extremely."

"You need to identify the right property, the right area and a good letting agent. But if you're new to HMOs, you don't have to do that on your own; we'll crunch the figures with you. I wouldn't say 'don't do it'; I'd just say 'do it carefully'. And if you manage it correctly, then an HMO can be extremely profitable. Extremely."

FINANCE

Commercial *appeal*

Finance expert Kevin Wright explains how to supersize your next redevelopment project, by seeking out commercial opportunities.

Converting a commercial property into a residential property can be a smart move. With an overabundance of commercial properties – many of which have been standing vacant for months or years – and a much-vaunted shortage of housing, it really is a no-brainer.

Commercial decisions

Commercial properties include pubs, care homes, shops, offices and schools, among others.

However, many investors don't realise that a commercial property without a tenant in situ is not mortgageable. A commercial lender's main concern when considering whether to grant a mortgage or not is serviceability of the loan. As far as they're concerned, no tenant equals no income. Since no income equals no ability to service the loan, they won't lend.

For this reason, many vacant commercial properties remain for sale for a considerable time. Would-be buyers lack sufficient cash reserves to make a purchase without a mortgage, which represents a real opportunity for the savvy investor. The current owner will be experiencing a degree of pain – at the very least, they will be paying business rates on their vacant property. In addition, it's possible that they still have a mortgage on the property, which further erodes their cash reserves.

The seller of a commercial property with a mortgage is under time pressure: they need to achieve a balance between getting an acceptable price for their property and making sure they sell before they completely run out of cash. A bonus for the smart property investor is that would-be buyers often fail to spot alternative uses for such a property. Equally, local investors may not be able to envision a disused pub or care home having any other use beyond its previous incarnation. If you're interested in commercial-to-residential conversions, this can be a goldmine.

Client case study

This recent tale sums up the scenario quite neatly. A pub in the north west of England failed to sell at auction, because nobody could see what to do with a big old Victorian pub that clearly didn't work as a big old Victorian pub. People couldn't see beyond what it had been and spot the opportunity it presented.

However, my client saw the potential. It was a three-storey pub on a corner plot, with a large car park. The auction details even said it had "potential for residential development subject to planning", although it also claimed to have tremendous potential as a public house or hotel, despite the fact it clearly wasn't working as such! It failed to reach the auction guide price of £195,000.

My client found it after auction when it was marketed as an unsold lot, and it fitted his strategy of creating large HMOs. It took a bit of negotiating, but

Converting a commercial property like an old pub into a residential property can be a smart move.

in the end he got it for £175,000 using bridging finance to make the purchase. He had some capital of his own, so was happy with a net loan of £108,746 (£122,850 less interest) over a 12-month term. He applied for (and received) planning permission for a 28-bedroom HMO, which will deliver a turnover of around £140,000 per year. When the conversion is complete, the property is likely to be valued around £500,000. That means he can apply for a 75% BTL mortgage based on that value, and repay the bridging loan as well as release his own capital.

“If you’re planning to convert a commercial property for residential use, you can now get government support as part of a national strategy to correct the imbalance between the oversupply of commercial buildings and the shortage of residential property.”

Extra potential

This isn’t the limit of this particular property’s potential. It also has a large car park, and there’s scope to build a terrace of nine properties (although at the time of writing he hasn’t applied for planning permission for these). When that is obtained, he’ll be looking for development finance, rather than bridging finance.

A helping hand

Remember that bridgers are happy to lend on vacant commercial properties as long as you have a robust plan for bringing the property back into use. It’s also possible to solve the problem of a vacant commercial property by simply installing a tenant. For example, put a tenant into a vacant shop on a commercial lease, and it’s suddenly mortgageable.

If you’re planning to convert a commercial property for residential use, you can now get government support as part of a national strategy to correct the imbalance between the oversupply of commercial buildings and the shortage of residential property. In 2012, the government relaxed planning regulations on certain classifications of commercial buildings. Using Permitted Development Rights, it’s now possible to convert commercial premises to residential use without having to submit a full planning application. This means that with a well-chosen commercial property offering clear scope for residential conversion, you can begin the conversion process in the same week you buy it.

CONTACT POSITIVE PROPERTY FINANCE

Kevin Wright advises investors how to buy property intelligently using non-standard funding models, through his brokerage. He can be contacted on **01206 586586**, or at **inspireme@thinkpositively.co.uk**.

LETTINGS

Advertising lettings can feel like shouting into an empty theatre. To put your lettings in the limelight, Lydia Chipman offers copywriting tips for adverts with real star power.

Let us begin

Whether you're attracting crowds to the theatre or new tenants to lettings, the goal of copywriting is to generate interest in what's on offer. But it's also about building expectations, and a successful run depends on how likely those expectations are to be met. If you've ever seen a film where all the best bits were in the trailer, you know what I mean.

Matchmaker, matchmaker

You don't need blockbuster features to impress prospective tenants – you just need to draw attention to the elements that your target audience is looking for. Well-written lettings adverts attract suitable renters to the properties that fit them best, while weeding out those that are less well matched. To draw the most suitable prospects to your property, think of your advert as a matchmaker, bringing together those landlords and tenants with the highest likelihood of compatibility.

Before you put pen to paper, put yourself in the renters' shoes. Advertising a fifth-floor flat with outdated kitchen appliances? While it might not sit well with a family of gourmet foodies, busy commuters may be more concerned with convenient access to transport and restaurants. Letting a semi-detached with an overgrown yard, spacious kitchen and room to park a lorry at the front? Green fingered tenants could put the neglected garden to rights and grow their own veg.

Hitting the highlights

Even the humblest homes have something unique to offer. If you've given some thought to what makes your ideal tenants tick, you'll have an idea what features are likely to click with them. Devote two or three brief sentences to the best bits, making sure to note the type of housing, location, and amenities such as extra storage and parking arrangements.

Don't ramble on for too long: the best adverts don't itemise absolutely everything about a property to let, but they clearly provide essential information. Make it easy to zero in on deciding factors, including proximity to schools, shopping, landmarks, and leisure activities.

Use bullet points to list other key items, from recent refurbishments to whether appliances or furnishings are included. Stick to clear, concise statements of fact. One man's "walking distance" is another's "let me get my car keys," so steer clear of vague generalisations. For example:

- ¼ mile from Paisley playground on quiet street.

is more helpful than

- Conveniently located near outdoor recreation space.

Smoothing over rough spots

Aim to cast the property in its best light without going overboard. There's no need to dwell on pain points, but note, for example, that a freshly renovated apartment above a popular nightspot may be noisy in late evenings. Don't bother glossing over shortcomings: if there's no dishwasher, suitable tenants won't mind washing by hand. But renters may shy away from cloying language that sets off alarm bells – like a "cosy" flat in a "quaint" building, which brings to mind a repurposed broom cupboard in a rundown tenement.

And before publishing your advert, make sure someone else reads the text. Even the best writers make mistakes, and another pair of eyes can spot errors you may have overlooked.

Copywriting is most effective when desirable features take centre stage for the right audience. With a savvy bit of matchmaking, your adverts can attract the most suitable tenants, who'll be glad to make your investment their home.

200 rooms and counting

Felicity Hannah asks one HMO landlord how he manages 200 individual rooms without losing sleep.

"I think with every HMO project you take a bit of a leap of faith," admits Antony Garnett. He's a landlord with 15 years' experience, and he and business partner Phil Staniforth have a personal property portfolio that includes both single lets and HMOs.

They are also the founders of SG Lettings, which manages HMOs for other landlords. That means they're responsible for 200 individually let rooms at any one time, which might keep them awake at night if they hadn't put a careful structure in place. So how did Antony first get started?

"Around about ten years ago, Phil and I decided to become student landlords, as a sort of first dipping our toe into HMOs... With the student market you've got termly payments, termly inspections and a group who'll be there for the rest of the academic year. It's a good market for entry-level HMO landlords."

But with the introduction of higher academic fees, there was a temporary dip in student numbers, and Antony decided to turn his attention to professional lets. Since then, there's been a resurgence in students wanting professional-standard single-room accommodation, so his portfolio has grown still further.

We asked Antony to talk us through one of his most recent projects: an HMO for professionals in Crewe.

Ruskin Road

"Last year, we bought a three-bedroom house at auction," he explains. "It had last sold in the 1940s, so everything needed re-doing. It was very dated and in such a mess, with single glazed windows and no central heating! It had a very small kitchen and two reception rooms, but it was such a big Edwardian house, it had a lot of potential."

Antony and Phil transformed the house into a five-bedroom HMO, sacrificing the two reception rooms to create extra bedrooms. That's not something they would normally do: most of their lets have communal sitting rooms. But it allowed them to offer this accommodation at an even more competitive rate – which is what the market demanded. To provide some common space, they expanded the kitchen into the hall and added a utility room. Two bedrooms were given en-suites, and three shared the communal bathroom.

Upgrading and refurbishing took the team of developers just 12 weeks, thanks to the their experience managing fast turnarounds. "We spent £35,000 in total, including all the necessary building control, housing standards and checks that we met all the regulations. The purchase price was £80,000. It was a lot of work!"

BEFORE



RUSKIN ROAD, CREWE

Purchase price: £80,000

Renovation work: £35,000

Furnishing bedrooms: £2,000

Furnishing kitchen: £500

HMO mortgage rate at 75% LTV: 5.6%

Monthly mortgage cost: £472.50

Monthly bills (including utility, broadband, TV licence, cleaning): £500

Total expenses: £972.50 a month

Rent: 5 rooms at £365 to £475 each

Total income: £2,045 a month

Profit: £1072.50 a month

Proactive performance

Adding another five bedrooms to their impressively large portfolio undeniably adds to their workload, but Antony and Phil have a series of procedures and systems in place to keep everything running smoothly. They believe that active management of HMOs saves time, limits empty rooms and adds up to cost savings in the long run.

For example, they manage to keep empty rooms to a minimum by proactively asking new tenants where they work in order to develop relationships with local employers and advertise to their workforce. And when a tenant gives notice, they start work straight away, mucking in on both the marketing and the humdrum tidying needed.

"We always advertise before the room is vacant. Sometimes, it can be tricky if you're doing a viewing and the existing tenant is still living there, so we always arrive ahead of the person so we can open the curtains, clean a shelf, that kind of thing.

"Get it wrong, and you can expect complaints from tenants about their housemates, so you have to try to put the right people together to avoid that becoming a problem. We also have house rules to help keep everyone on the same page. And it's a very transient market: people come for six months or sometimes an even shorter stay. Because there's such a turnover of tenants, you've got to make sure they follow the check-out procedure and that the room is ready to be re-let. That can be quite challenging if you need a very quick turnaround."

However, installing new tenants is just one aspect of HMOs. There's also a considerable amount of daily work. Antony says: "On a day-to-day basis, there are all manner of jobs, and they can be more complicated with an HMO. For example, just this week, we took over a new property for a landlord, and the internet went down, but they had fitted the wifi router in someone's bedroom rather than a communal area.

"The maintenance is much higher on an HMO than on a single let, and we do monthly checks to stay on top of that."

Antony points out the importance of being proactive: "Not only is that good for protecting our property, it gives a good impression to our tenants, too. We let our tenants know when to expect us via a message on their phones, and we also have cleaners going in every two weeks to look after the communal areas."

These professional cleaners act as "eyes on the ground", letting Antony know if they spot damage or observe that a tenant is not following the house rules. He tries to ensure that either he or one of his representatives visits every property at least once a week, including regular maintenance and inspections, in addition to cleaning.

Perhaps one of the most demanding challenges is staying on top of the paperwork and finance, which is why Antony says that having processes in place from the start is essential. "If you look at us, we've got

DURING

around 200 rooms under management, and that's a lot of rent to reconcile," he says, adding that because rents come in at different times of the month, having efficient systems in place is necessary to stay on top of it all effectively.

Best bits

Are HMOs worth all the extra effort? Antony thinks so. "I'm really proud of what we do and that we do it to a high standard," he says. "And we've had some really great outcomes; we've played Cupid twice so far and had tenants leave the property to get their own place together. We've also helped people onto the property ladder.

"If they can't stay living at home with Mum and Dad, then this is a great low-cost option. Renting a studio apartment could mean spending £700 a month, but this is cheaper, meaning they can save for a deposit. We've had quite a few people move out to buy their own place, and it feels good to have played a part in that. If you do it properly, HMOs are a great place to be."

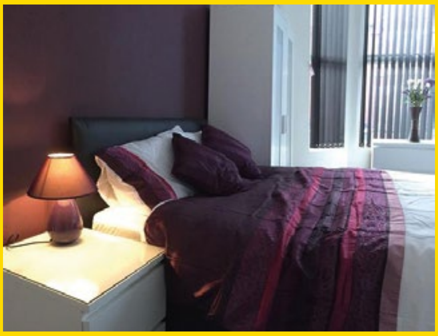
If you have an interesting property case study (good or bad!), we'd love to feature your story. Email us with some information and photos, and we'll get right back to you: **hello@thepropertyhub.net.**

ANTONY'S TOP TIPS

For landlords who are new to HMOs, here are Antony's five most important rules:

1. Get educated. Read articles, books, online forums, get all the advice you can.
2. Talk to existing HMO landlords. A network of supportive landlords who've already been through it will be a big help when you're new.
3. Put in procedures and processes from the start – don't wait until it's too chaotic.
4. Budget for the ongoing costs and your time if you manage it yourself. Expect calls at anti-social hours!
5. If you can't make the time, use an experienced HMO letting agent. There's too much work to risk letting things slide.

AFTER



Our top ten places to invest in 2017

THINKING OF EXPANDING YOUR PORTFOLIO IN 2017? YOU'LL NEED OUR HANDY GUIDE TO THE INVESTMENT HOTSPOTS FOR THE YEAR AHEAD.

1 STOCKPORT

While "capital of the north" Manchester may be at risk of becoming overheated – and a surge of new build properties means supply is catching up with demand – neighbouring Stockport offers the savvy investor the perfect alternative. Jump on the M60 and you could be in the centre of Manchester in less than half an hour, yet you're just a stone's throw from the charm of the Pennines – making this location popular with families seeking the best of both worlds.

2 BRADFORD

Leeds has long been a favourite with investors, thanks in no small part to its university and position as the leading city in Yorkshire, but like many major northern cities, it's at risk of saturation. Enter stage left, Bradford. Situated just ten miles from Leeds, the Yorkshire town is home to a huge university population, and property there is significantly less costly than in Leeds. As with the rest of the region, it's set to benefit from the Northern Powerhouse initiative, improving the likelihood of inward investment and regeneration.

3 LIVERPOOL

With a stunning waterfront, two Premier league football teams and no fewer than four universities, Liverpool certainly has plenty to offer. The last decade has seen huge investment in its city centre, and with it comes massive opportunity for investors – not least because property prices have yet to cotton on to how great this city is, so it's still possible to bag a bargain!

4 HULL

Ask anyone in Liverpool what has been the turning point for the city in the last 50 years, and they'll tell you it was 2008 – the year the city served as European Capital of Culture. Can the 2017 UK City of Culture award do the same for Hull? It's likely. The city's university also remains popular with students, and a massive offshore wind turbine investment is on the horizon.

5 SHEFFIELD

There's more to this northern gem than The Full Monty and steelworks. Home to two universities and a thriving cultural scene, rental property is in huge demand. The city – the fourth largest in the UK – has also been voted the UK's safest place to live on several occasions, making it a firm favourite for young families.

6 LUTON

Want to invest near the capital but conscious of soaring prices? Much of the commuter belt has become almost as costly as London itself, but a handful of areas still offer great value – and Luton is one of them. Average house prices in the Bedfordshire town are around the £220,000 mark, and transport into the capital is excellent.

7 GLASGOW

For all the vibrancy and culture of Edinburgh without the hefty outlay, Glasgow is a property investor's dream. Yields of around 9% are easily achievable, and the rental market is strong – making it possible to secure a reliable income.

8 CONWY

North Wales may not spring to mind when you think of investment hotspots, but don't discount it too quickly. Conwy, home to such tourist grabbers as the smallest house in Britain and a 13th century castle, has seen average property values soar by over 40% in the last three years. With strong rental demand fueled by its quaint Welsh charm, it's fertile ground for investment.

9 SLOUGH

When the new Crossrail railway line is completed in 2019, commuters will be able to get from Slough to central London in just 32 minutes. With property prices here a fraction of what they are in the capital, it's obvious why this Berkshire town makes our list.

10 SOUTH LAKELAND

A holiday let may take a little more effort to manage than a traditional rental property, but the rewards can be more than worth it. In fact, you could earn three times the rental income from letting out a property on a short-term basis to holiday goers. Of course, to do that, you need to find a property in a sought-after holiday location – and none is lovelier than the South Lakeland area of Cumbria, home to stunning Lake Windermere. The returns are pretty stunning, too. Letting a four bedroom property here can bag you upwards of £3,000 a week in peak season.

TOP TIPS

Alice Whitehead goes to find fault with new properties – for the best possible reasons...

How to... *Snag a new build property*

While your Ford or BMW might come out the other side of the assembly line with a uniform look – new build houses never quite achieve that factory finish.

From paint splashes and faulty door hinges to roller marks and sticky windows, every new build will hit a snag in the production line.

A "snag list", normally undertaken on completion of the building project, will note any defects and cosmetic blips in the property to be passed on to the developer or builder for fixing. Although it's an unregulated area, "snagging" is a savvy practice for property investors.

Having spent the last eight years snagging properties, Sarah Gaffney of Yellow Lettings explains, "Snagging is an opportunity to confirm all the work is completed as per contract and to ensure that the finished product quality is satisfactory." Sarah adds that "While the developers or builders will complete their own inspection, many defects can get overlooked – so it pays to have a fresh pair of eyes on the project."

Expert or DIY?

Because it's an unregulated practice, anyone can snag – so it's up to you who you employ to do the job.

With one eye on profits, developers and builders may try to avoid time-consuming snags and keep the list short – but you can get independent advice from fully qualified and registered architects, engineers and chartered surveyors, or hire a "professional snagger". However, most independent snagging experts tend to work with homeowners rather than property investors.

"Ultimately, you can do your own snag list," says Sarah. "After all, only you know the standard you want to achieve in your property."

Check each door is hung correctly and closes fully.

Red flag your snags

You should embark on your snag list as soon as possible after the build has been completed, and after the cleaning – but don't feel pressured to rush it.

"You have the right to undertake an inspection, so make an appointment with the builder and request access to attic spaces and cupboards," says Sarah. "It's your final check before you hand over your hard-earned cash, so it pays to get it right."

Simply put, a snag list should answer two simple questions: does everything work, and does it look right?

"This means that as well as looking at missing plug hole covers, badly fitted skirting boards, or missing screws, you also need to look at aesthetics such as uneven paint work, which is sometimes down to personal preference," says Sarah.

While the time required to conduct an inspection varies by property and experience, set aside at least two hours for snagging an average build. "In a two-bed apartment, it normally takes me about an hour and a half to complete my snag list," says Sarah. "But it make take a novice longer, and it depends how thorough you want to be."

To identify defects, cast your eye over the property from the perspective of someone who is moving in. And, while all houses have their quirks, ask yourself whether you'd be happy to live with a chorus of squeaky floorboards or a door that jams in the doorframe every time the temperature rises.

Be systematic in your approach: go room by room and check each element of the space in turn, noting the type and location of defects. Take a torch to seek out problems in dark areas and a ladder if you want to go into the loft.

You can download a snagging list from the internet (or use our checklist above), but for ease of use, it's better to input the information you gather directly into your laptop or a mobile app to be forwarded directly to the relevant person.

Sarah uses an inventory manager app to record her findings, downloading the results into a PDF report

SNAGGING CHECKLIST

Sarah Gaffney outlines the elements to tick off in each room during your DIY snag...

1. Doors and windows

- ✓ Check each door is hung correctly and closes fully.
- ✓ Ensure locks work correctly on doors and windows, and that they open and close properly.
- ✓ Look for chips or scuffs on doors. If they have been shortened, there may be splintering where the wood has been sanded down.

2. Electrics

- ✓ Making sure light fittings and switches work properly.
- ✓ Check each socket and switch for paint splashes.

3. Central heating/water works

- ✓ Make sure taps work efficiently, and ensure the water pressure is good.
- ✓ Check pipes for leaks.
- ✓ Ensure the toilet flushes and the toilet seat is fitted correctly.

4. Walls and ceilings

- ✓ Check paint coverage, and look for marks or scuffs on the walls and ceilings.
- ✓ Look for chips or scrapes in plaster on walls, or bumps where it's been filled and not sanded down.
- ✓ In the bathroom, check all tiles for cracks or missing grout.
- ✓ Check coving and skirting boards for paint splashes and damage.

5. Utilities

- ✓ In the kitchen, make sure that the oven, hob and extractor all work correctly.
- ✓ Ensure there are no chips in kitchen worktops, and that edging strips are fitted correctly.
- ✓ Confirm cupboard doors and drawers open and close properly in every room.
- ✓ In the bathroom, check the bath panel is fitted correctly.
- ✓ In the sitting room, check the fireplace operates correctly.

6. Flooring

- ✓ Make sure floor coverings are fitted up to the skirting and are undamaged.

Look for chips or scrapes in plaster on walls, or bumps where it's been filled and not sanded down.

Make sure taps work efficiently, and ensure the water pressure is good.

that can be sent via email. "You can add pictures of the defects so there's documented evidence," says Sarah, "and these are automatically attached to the report."

Snags with snagging

It's the developer's responsibility to put right any defects that are found, and they should set to work as soon as possible to rectify anything highlighted.

But, of course, it's not always that simple. "In an ideal world, you'd want the snagging to be completed before your tenants or buyers move into the property," says Sarah. "But the developers are under no obligation to start within a set time limit – so it's worth writing a specific timescale into your contract."

A "drying out" period may be required to allow new buildings to settle in order for hairline cracks to emerge, delaying snagging for three to six months.

"The developer should provide an initial warranty for the first two years, so if any problems occur during this period, either cosmetic or structural, you can still get in contact with them, and they will work with you to get it resolved," says Sarah. "And while the ten-year warranty with new build house insurers will cover you for large problems with drainage, load-bearing walls, glazing and chimneys, etc., remember that snagging reports are only carried out to pick up minor cosmetic faults."

Be realistic about what can and can't be changed. Don't turn a snag into a drag by filing hundreds of pages detailing microscopic paint splashes. You should also try to avoid fixing small blemishes at the risk of creating bigger problems.

TOP SNAGGING TIPS

Sarah shares her insider snagging secrets...

- Snag on a sunny day: defects are easier to see in bright light.
- Flush all toilets and run water in the shower tray, bath and sinks.
- Check there is access to the stopcock and it works correctly.
- Bring a hairdryer and plug it in to see if the sockets are working.
- Put the lights on as soon as you enter the house so they warm up as you look around. Sometimes a bulb or light can blow, but if you've only had them on for ten seconds, you will never know.
- Also turn the heating on a soon as you enter the property so you can get a feel for any problems. This can also show you whether the doors are fitted properly, as they can expand in the heat.
- Don't stand up close to paintwork; take a step back to the middle of the room and look for uneven patches or roller marks from a better vantage point.

BEHIND THE SCENES WITH ROB & ROB

Every issue, Rob D and Rob B give an insight into what they get up to as investors, publishers and multiple property business owners.

The new Property Hub website at thepropertyhub.net.

WE REDECORATED!

If you visit thepropertyhub.net, you'll see that we've given it a full refurb – getting rid of the online equivalent of textured wallpaper and an avocado bathroom suite that we had previously.

It's also had some pretty serious structural work, with major improvements that make it easier to listen to the podcast, sort through the wealth of information on the forum and find out about upcoming events. Our team has done an amazing job, and we can't wait to have you check it out.

DISCOVER WHAT WE DO

We're always wary of over-mentioning our own businesses, but it seems like we've done too good a job of playing it coy: when we surveyed Property Hub members, 40% had no idea that we actually ran property businesses.

To prove that we occasionally get off Rightmove and do something useful, we're holding a Discovery Day in London this November – explaining what we do and how we might be able to help. We'll also be bringing in finance and tax specialists to share their knowledge.

For some reason, we struggled less with getting the word out about the event: all 200 places sold out in a few days. Demand far exceeded our expectations, so we'll be doing it again next year.

TOTALLY TROPICAL

When the two of us first met, we bonded over our love of a podcast called the Tropical MBA – prompting us to start one of our own. Nearly four years later, it was a great milestone to be invited onto the show as guests to talk about property and business. You can take a listen at tropicalmba.com/propertypodcast.

SAME PRICE, MORE VALUE

Property industry webinars normally follow a familiar format: 20 minutes of the presenters talking about how great they are, 5 minutes of information, 35 minutes of hard-sell for a course or training programme.

We recently held a webinar about the likely effects of Brexit, where we decided to do things a bit differently: we didn't have anything for sale, and we saved everyone time by just chatting to each other about how great we are before turning on the microphones. It seemed to do the trick: we got such great feedback that we've decided to do them more often.

So as a magazine subscriber, along with every issue you'll now also get an invitation to an exclusive webinar where we explore a current theme in property. Not bad for a fiver a time, we reckon.

PART OF THE COOL CLUB

A particularly pleasing email popped into our inbox in September – confirming that Yellow Lettings had been accepted as a member of the Association of Residential Letting Agents (ARLA).

It's not just another logo to help jazz up our letterhead: it also gives clients confidence in knowing that we abide by a code of conduct, protect client money, and have team members with recognised industry-leading qualifications.

Transaction volumes

These simple but useful stats can show whether houses are selling like hot cakes, or estate agents are drooping over their desks in boredom.

Transaction volumes provide a measure of how many property sales occur over a certain period. While quantity isn't everything, it's a handy measure of market sentiment – and there are plenty of lessons for investors in HMRC's monthly update (available from the gov.uk website).

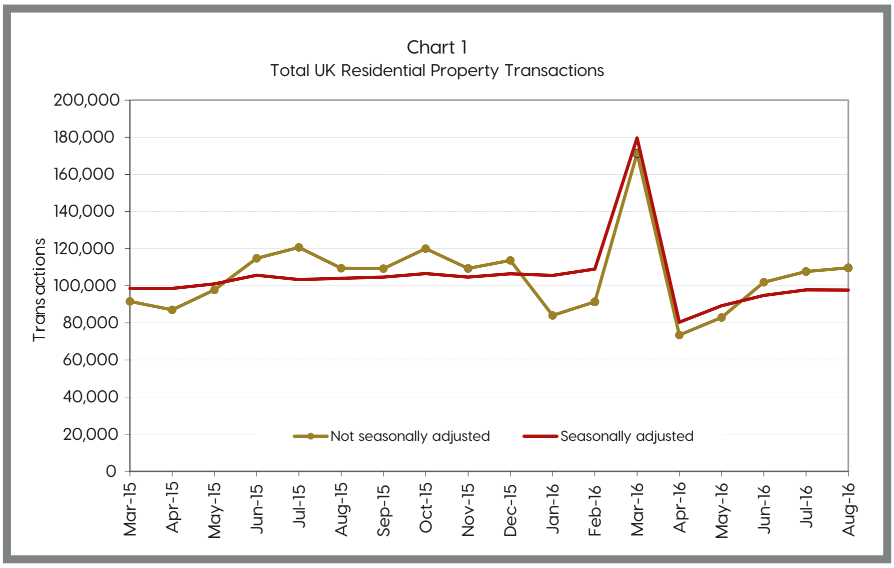
A look at data for the past year (graph 1) shows how useful it can be. The huge sales spike in March 2016 was due to the stampede before the 6 April increase in stamp duty on additional homes (such as investment property). Revealing the sizeable share of the market occupied by second homes, it also shows how quickly transaction volumes returned to normal: within a couple of months (in spite of the probable disruption of the Brexit referendum).

Overall, data published since 2011 shows an increase in transactions – from around 920,000 residential transactions in both 2011 and 2012 to 1.33 million in the financial year to 2016. How should investors view a 40% increase in transactions in just four years? Foreign investment in London might be significant, but between the end of 2011 and 2015, transaction volumes rose in Wales by 35%, in Scotland by 42%, and in Northern Ireland by an astounding 70%.

That may seem like a large increase. It might even make investors worry that the property market is overheating, with too many people climbing onto the property ladder. After all, if house building is so slow, why the increase in sales? Move out to the bigger picture, however (graph 2), and we see that transaction volumes are still barely over half as numerous as before the financial crisis. That suggests the market has more room to grow, that first-time buyers are still unable to buy, and older owners are – perhaps – unwilling to downshift.

One revelation is the remarkable impact of government interventions. We know that the raising of stamp duty on second homes in April this year sent transaction volumes rocketing, but looking back, a stamp duty holiday in the period after the financial crash also caused a spike in transactions, which plummeted at the end of the holiday in late 2009.

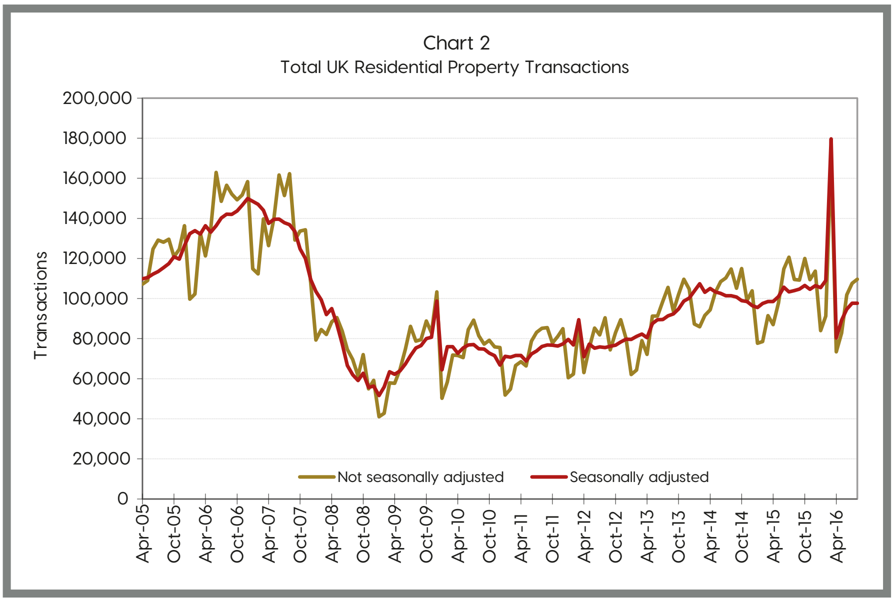
Another source of transaction volume statistics is the Land Registry, which additionally breaks down volumes by month and region. London and the South East are (not surprisingly) the busiest regions, closely followed by the East, North West and South West.



> **"Between the end of 2011 and 2015, transaction volumes rose in Wales by 35%, in Scotland by 42%, and in Northern Ireland by an astounding 70%."**

You can also get a feel for transaction levels via mortgage data, with the Bank of England giving monthly updates on mortgage approvals, handily broken down into new purchases and remortgages.

Transaction volumes, then, are a blunt instrument in measuring the property market, but they are a good measure of the market's relative health. Within a few mouse clicks, you can get a quick snapshot of the marketplace to determine whether property exchanges are languishing in the doldrums or brimming with activity.



EVENT LISTINGS

In a town near you *(every month)*

Property Hub Meetups are the UK's biggest FREE network of property events, with over 35 held each month. They're open to everyone – from the greenest newbies to the grizzliest tycoons!

This isn't a traditional networking event. There are no sales pitches or "upsells" – just a relaxed and informal get-together of likeminded people, with a more friendly and supportive atmosphere than you'll find at any other event.

Meetups are held on the **first Thursday of every month**, and they're completely free to attend. All we ask is that you register in advance.

Visit thepropertyhub.net/meetups for full details and registration information.

We currently hold meetups in the following locations:

GLASGOW
Dram!, G3 6ND.
Meetup leaders: Tony Ng, Nelson Wan, Luis Guarin

DUNFERMLINE
Starbucks, Fife Leisure Park, KY11 8EX.
Meetup leader: Sam Dyer

EDINBURGH
Starbucks, Ocean Terminal, EH6 6JJ.
Meetup leader: Greig Oliver

NEWCASTLE UPON TYNE
The Town Wall, NE1 5HX.
Meetup leader: Al Robinson

LIVERPOOL
The Pumphouse, L3 4AF.
Meetup leader: Silvio Orlando

MANCHESTER
The Kaz Bar at Tiger Tiger, M4 2BS.
Meetup leader: Mark Morris

LEEDS
The Crowd of Favours, LS2 7EA.
Meetup leader: Andy Norman

SHEFFIELD
Ink & Water, S1 4JB.
Meetup leaders: Rhys Jackson and Alice Lacey

DERBY
The Tap, DE1 2ED.
Meetup leader: Ryan Slater

NOTTINGHAM
The Lion at Basford, NG7 7FQ.
Meetup leader: Jonathan Challis

LEICESTER
The Nags Head, Glenfield, LE3 8BQ.
Meetup leader: Mark Barnes

LEAMINGTON SPA
The Fat Pug, CV32 5BZ.
Meetup leader: Helen Pollock

MILTON KEYNES
Ye Olde Swan, MK6 3BS.
Meetup leader: Nick Griffiths

CHELTENHAM
The Swan, GL50 1DX.
Meetup leader: Joanna Surowiec

CARDIFF
Hilton Hotel, CF10 3HH.
Meetup leader: Luise L

BRISTOL
Channings Hotel and Bar, BS8 3BB.
Meetup leader: Jon Hulatt

SWINDON
The Clifton, SN1 3PY.
Meetup leader: Paddy Horsington

READING
Grosvenor Casino, RG2 0SN.
Meetup leader: Adrian Dunk

ST ALBANS
The Beech House, AL1 3EG.
Meetup leader: Chris Ryder

COLCHESTER
The Church Street Tavern, CO1 1NF.
Meetup leaders: Diana Bond-Smith and Andy Johnston

SOUTH ESSEX
The Paul Pry, Rayleigh, SS6 7AA.
Meetup leader: Joanne Dron

LONDON KING'S CROSS
The Somers Town Coffee House, NW1 1HS.
Meetup leader: Gavin Lloyd

LONDON WATERLOO
All Bar One, SE1 7PY.
Meetup leaders: Joe Di Fede and Matt Newman

LONDON STRATFORD
King Edward VII, E15 4BQ.
Meetup leaders: Oli Lowrie and Jethro East

RICHMOND UPON THAMES
The Cricketers, TW9 1LX.
Meetup leader: Roxane Brazeau

EPSOM
The Albion, KT19 8BT.
Meetup leaders: Justin Richards and Andy Garnett

FARNHAM
The Botanist, GU9 7ND.
Meetup leaders: Andre and Elise Brink

MAIDSTONE
The Muggleton Inn, ME14 1HJ.
Meetup leaders: Zoltan Kohary and Kristina Koharyova

SOUTHAMPTON
Maritimo Lounge, SO14 3LG.
Meetup leader: Sarah Smith

BOURNEMOUTH
Ludo Lounge, BH6 3RS.
Meetup leader: Nic Scudamore

EXETER
The Prospect Inn, EX2 4AN.
Meetup leader: Tony van Bergen

COPENHAGEN
Det Argentinske vinhus, 2300 København S
Meetup leader: Lars Eskebæk

DUBAI
The Scene, Dubai Marina.
Meetup leader: Chris Battle

HONG KONG
Classified, Exchange Square.
Meetup leader: Emma Bryan

NO GROUP CURRENTLY IN YOUR AREA?

We're always on the lookout for people to establish meetups in different parts of the UK.

Stepping up and leading your local meetup is a fantastic opportunity to build your reputation in your area. As the leader, you'll get to know absolutely everyone who attends your local event – and you'll have a great excuse to reach out to other investors and property professionals locally to invite them along. We'd love to hear from you if you're interested: just email **hello@thepropertyhub.net.**