



WRITTEN BY INDUSTRY EXPERTS COVERING ALL ASPECTS OF BUY-TO-LET

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BUY TO SELL SUCCESSFULLY: TO MAKE SERIOUS POTS OF CASH!

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The Good Property Company

In the last of this series of three articles on Buy to Sell, I look at how to retail the property, so that you get the highest number of viewings, and then a fast offer, working with your buyer to ensure it is sold, and you get to bank the cash!

ADDING VALUE, AKA MAKING IT BEAUTIFUL

The first thing to remember is (no offence, and I hope none taken!) you are not the expert here. Who is? The estate agent and high street retailers, so let's take on board what they do to make property look amazing, thereby attracting a fast sale and a high purchase price.



ESTATE AGENTS

First thing I do when I get the keys, way before I have contracted with the builder, is to invite our selling agent in to check with them my plans for the house.

The main thing I am checking is 'does what I want to do make sense for that area?' For example, a key criterion for many home purchases is the following layout;

- An open plan kitchen diner,
- Three or four bedrooms, including
- A master bedroom with an en-suite,
- Ideally a bathroom upstairs.

Why? Look at demographics; now have two parents working in many households, in order to make ends meet. That means that the precious time between work finishing and bedtime is the only time a family or a couple can spend together to socialise. In that same time, food needs to be cooked, so the trend for open plan kitchen living room, with social space as well as cooking space, is one of a changing lifestyle for your potential buyer. This important room allows both socialising with loved ones, and cooking the family's supper to happen at the same time, which is likely how your buyer needs to live these days.

In addition, the demand for some level of luxury has increased, so I find generally that a master bedroom with an en-suite is a real winner.

Stripped wooden floors may add a lot of desirability, depending on your target market. However you need to check all of this with your local agent as they are the expert in understanding the localised market place for which features buyers feel are important when they make a choice on which house to view and buy.

If your target market is the Investor Market, then a simple bedroom size comparison is important. For an Investor purchaser, it is vital all the bedrooms are doubles and not singles, as this impacts strongly upon their ability to rent out the rooms to tenants. Taking this into account, you may want to move walls, which I have frequently done, to ensure you have decently sized rooms.

HIGH STREET RETAILERS

Take tips from the experts, Ikea, Next home, House of Fraser, John Lewis, Conran shop and others, they are selling lifestyle and you need to too. They pay people with PhDs to dress their showrooms, to attract buyers. Use their amazing resource, freely on show to educate you how to do it, and replicate their glamorous show style in your own Buy to Sell Property. Remember lifestyle; you are selling the dream of a perfect life in this property.

Add value not just by the physical alteration. Add dreamy, perception value; employ a professional photographer and style the property as in a magazine. Write up the property brochure in a warm, inviting and positive tone, highlighting ways to live in the property. Be conscious that all this takes time; in our business, it takes our team 4 days to style up a house, ready for sale. Essentially you are furnishing a 3, 4 or 5 bedroom house, in a couple of days, and then posing it up! This also requires a carefully chosen posing kit, with colour tones throughout the house for continuity. I use the same style and the same colours in every Buy to Sell project so that I can use the same base posing kit for every house. I furnish all the rooms, but do not put in wardrobes (as they are bulky); I put in enough lifestyle indicators, such as bottles of wine and wine glasses, breakfast trays in bed, and tons of comfortable and glamorous cushions, to create a warm and inviting space.

A great resource is house magazines; I subscribe to Living Etc. to monitor interior trends. I also ask our photographer to shoot shots like those you might see in house magazines – close ups of items, that frankly have little to do with the floor plan of a house, but add glamour, comfort and warmth to the impression of living in the house.

Briefly, to avoid costly mistakes, I've done a quick checklist of Do's and Don'ts for you:

DO

- Consider your end customer types.
- Understand the key criteria for them.
- Consider the most cost effective way to add that value.
- Understand that you are only one 'type'.
- Talk to the experts – in this case, the Estate Agents, who see buyer behaviour, daily and will be well equipped to guide you as to the 'must haves'.
- Be guided by the builder, but do not let 'the tail wag the dog'.
- Pay attention to detail.
- Remember Kerb appeal; buying a house is an emotional choice, and often the decision is made within 30 seconds of arriving at the front door.

DON'T

- Refurb as if you were living there.
- Fiddle with the builders once they are in.
- Leave the builders to self manage – disaster!!!
- Forget about Building Regs and Certificates, needed for the legal sale process.
- Get worried – this stuff is a process, 1 in 3 sales fall out of bed, plan for it.



ENCOURAGING AN OFFER & CONVEYANCING THE SALE

This is an area that most investors forget to focus on, they assume once they have an offer everything will go smoothly. Remember 1 in 3 sales falls out of bed, your job is to beat that statistic.

How?

Remember that Property is a Team Sport. Your team is vital here, and your Estate Agent is your team member.

How will you get them to focus on your property first?

- Weekly scheduled 15 minute calls in the diary.
- Fortnightly office meets, to understand the numbers.
- Respond to their suggestions, interrogate (respectfully) the market statistics, to see how your project is delivering against the norm
- Have a folder per property, and record conversations, taking action on advice given.

Do NOT harangue, blame or be rude, or cut down their commission – they are on your side!

Once you have an offer, this is not yet the time to relax!

I speak with our agents at least 3 times a week, and my solicitor at least twice a week, checking that the sale is progressing nicely. I want to know the key milestones are being hit.

- Has my buyer paid for a survey and is it satisfactory?
- Have they paid out for searches and are they in, no problem?
- Are all enquiries satisfied?
- Has the mortgage offer been received and when can we schedule the exchange and completion dates.

It is amazing how much you still need to be involved in this part of getting the sale ‘over the line’.

I strongly (from painful personal experience) suggest you do not leave it to the estate agent conveyancer and both sets of solicitors, as it will take longer, and in the meantime, your buyer may experience the classic buyer’s remorse and pull out. Get involved, which leads to a successful sale!

POST PROJECT ANALYSIS

Remember Plan, Do, Review?

This part is important – reviewing your work to date will allow you to deliver better, more profitable projects next time. Review the Financial Analysis, the Project Delivery and identify your Key Learning Points, focussing on what went well, and what could be improved. □

Good luck, I wish you every success in your property projects.

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