

Richard Blanco:

Hello, and welcome to Listen Up Landlords with Ben Beadle and me Richard Blanco. Now, have you ever bought at auction? There were 55 property auctions held in March, 2021 in the UK, offering over 2,200 lots. It can be the place to get a bargain, but you need to know what pitfalls to look for. We'll be talking to the one and only Martin Roberts, presenter of BBC's Homes Under The Hammer about his property journey and the joys and heartache of buying in the auction room. Have you called the advice line recently? NRLA adviser Catherine Behdad is back to fill us in on what's troubling you and the problems that advice line staff have been able to solve. But first online or on the high street, what's your letting agent of choice? Online agents have prospered during the pandemic, increasing their market share to around 10%, according to Home Mover data agency 20C, but middle-class mid-markets homeowners still prefer traditional high street agents. 55% of landlords are regular or occasional users of letting agents. And about half of those use full management, do you use agents at all Ben?

Ben Beadle:

I do, on a tenant find only basis, but I have to say I haven't used an online agent yet. I have used for many years, a high street agent, and I'll be interested to see what our guests have got to say on the matter.

Richard Blanco:

Yeah, very interesting, because I found myself using online agencies sort of increasingly. And I mean, I saved myself over £2,000 just recently, letting a flat in Hackney. I was worried about doing all the viewings and that kind of stuff, but it wasn't too bad in the end. My cashflow has been a bit tight recently, so I can definitely see the appeal. And I've had one or two experiences where high street agencies have not been as, I don't know, not as good as I would like in terms of the kind of backroom admin in particular. I don't know if you've ever had that experience?

Ben Beadle:

I actually just engaged my high street agent to simply find the tenant and I take care of all of the admin, referencing, credit checks, tenancy agreement drawing up, literally a name and a telephone number is what I pay for.

Richard Blanco:

Yeah. And I have to say actually, Ben, whenever I use an online agent, I wonder about the contacts that those high street agents have got, that I'm missing out on. And that someone might have been coming to see my property, who originally was being shown another one and so on. So there are definitely pluses and minuses, aren't there?

Ben Beadle:

There are and as landlords and investors, we need to be attuned to what those are and go with what works and what generates the best value for money.

Richard Blanco:

To discuss the pros and cons now of using different agents. We're joined by Calum Brannan who is CEO and founder of Howsy and national lettings managing director of Leader's Romans estate and letting agent Michael Cook.

Ben Beadle:

Michael, welcome to the show. Tell me the tenant fees act 2019, that's caused a lot of agents to have to reconsider their business models and act differently. How has your agency adapted to that change?

Michael Cook:

I think we're probably no different to many Ben, that we've had to look at our pricing structure. As you said, the act effectively removed the ability to charge tenant fees, which has probably a good leveller in lots of ways. So we've looked at the various services that we provided landlords, the fees that we did charge tenants, and then in a fair proportionate way, we moved some prices across to landlords, but then we looked at our own business model, where could we save costs, make the process more efficient, utilise the better tech and therefore able to limit some of the price increases that we passed on to our customers. And the final point was product development. So for tenants and landlords, there are a number of products that you could take as a tenant or as a landlord that are optional, whether it be insurance services, deposit replacement schemes. And again, that can fill some of the gap left by the removal of tenant fees.

Ben Beadle:

Did you have any difficult encounters with landlords resistant to some of the fees that you were trying to pass on?

Michael Cook:

Hey, look no one wants to pay more so that's the reality, but I think our landlords are good, intelligent people that know that there was a change in the marketplace and ultimately models need to be looked at. The whole spirit of the act was to make properties more accessible for tenants. So where we focused most of our efforts on as a business is, okay, removing tenant fees removes some of the hurdles, but actually you've still got pay 75% of your upfront charges through a deposit. So we put a lot of our efforts into the development of a deposit replacement scheme that we run ourselves, that's our own product, we're in full control of it. It's not an off the shelf product. So we were able to mitigate most of the price increases to landlords by developing that product, which had benefits for them as well. So I think they took a pragmatic view and could see us working at it. And yeah, inevitably the prices went up a bit, as I said, they recognise that we were looking at different ways to spread the cost.

Ben Beadle:

Indeed. And if there's one thing we know it's that landlords are pragmatic bunches and kind of get on with life don't they? So it's interesting to see how you've dealt with that. One other question I wanted to ask you, Michael, is around the role that high street agents can play for landlords that are particularly not in the area or overseas. Yeah, have you got any views on types of benefits that a high street agent might hold over an online agent when it comes to managing landlords that are not in the country?

Michael Cook:

Whether they're in the country or not, obviously the more remote you are, the more trust you've got to have with the person that is effectively overseeing your assets. So, even the ability to just pop around the property, check that the tenants are being: A, supported and B, looking after the property, simple things sometimes. If there's a complaint from a neighbour, you can pop around very quickly and have a look at it. You're very removed as a landlord abroad. And you just need that sort of extra level, I think of

peace of mind that someone has got their eyes and ears and hands all over your property in the right way.

Ben Beadle:

Yeah, absolutely. But one of the things that online agents I think have given greater scrutiny over is that the cost of letting on property management. How have you dealt with that? How have you dealt with online providers being willing to adapt their offer? And have you had to do that to match with them.

Michael Cook:

You've got Calum on later, he's in that space. But my take would be, there's a big difference between a letting agent and a managing agent. I think the space that you would call online agents, I would say it's an online only agents because every agent is online to one degree or another, is that they will predominantly focus on those landlords that really want a do it yourself hands-on service regarding the management. So effectively they need extra support to let their property and a lot of these online players will give them access to those portals and be competitive on price. So, yeah, absolutely, I think they've taken a bit of market share in that tenant find only market. But as far as I can tell, if you want a full service managing agent, really high street is the way to go. And I can't see in the numbers that I've seen, where there's been a big dent made by the online players in that space, because I think it's very difficult to provide, as I say that hands on management service, if you're exclusively operating online.

Richard Blanco:

Calum, as Michael says, you're in that online space. And in a sense, the abolition of tenant fees was one of the things that spurred the online space interaction. And what's your take on how the abolition of tenant fees affected the agent sector?

Calum Brannan:

Hi. Yeah. So for us, we were able to start the business with a clean sheet and I come at it from a landlord's perspective and many of us in the business have worked in property or been tenants. So we were able to start from zero and we launched our business in March, 2016 with zero fees before the fee ban actually came into action. As one of our fundamental core values, the role of the agent is to look after both the tenant to get them to stay longer, to start their journey off on the right foot. And also for the landlord because ultimately landlord wants happier tenants because they stay longer and it reduces your let costs. So for us, it's always been part of our DNA.

Richard Blanco:

What were the other drivers for the creation of online agents?

Calum Brannan:

I mean the letting industry itself is pretty fragmented. It's one of the most fragmented industries that I've ever seen, numbers say anywhere between 10 to 20,000 individual operators in the UK. And we just don't see that level of fragmentation in any industry nowadays. You have to look at the impact of hotels and Uber, there is a shift moving towards people wanting to rely on reputable brands that cover whole areas. And with the average UK landlord owning two properties, it's likely that they're having to deal with two agents. So really there's multiple drivers.

Calum Brannan:

It's about how can we use technology to make people's lives easier. And for us as a business, how can we increase our margin, but also keep our costs down for landlords, which is the important business part. But how can we offer a better service on people's terms from a mobile device on the go and that's to both landlords and renters. So there's multiple factors at play and which is the beautiful thing about being able to start a business afresh, there's no legacy, there's no historic preconceptions. We often joke about pulling off the ties and the suits of agents when they join the business and kind of brainwashing them into our way. You get to do that in the same way that independent agents, we've seen some brilliant independent agents join the industry recently. So there's always value there.

Richard Blanco:

Yeah, give us a bit of an overview of the sector, Calum. I mean, Upad was one of the forerunners of online agencies and lots of NRLA members will be familiar with Upad, which agencies followed and how did they adapt and sort of build on those kinds of models?

Calum Brannan:

So for us, we see the sector as two parts. There's the tenant-find only landlord. And I joke and call them the adventurer landlord. Ben is one of them by the sounds of it. This is a landlord that's willing to take on a little bit of risk themselves, get their hands dirty, they know the sector. And there's other landlords, which is the majority of the market for me, which are the hands-off landlords. They have different jobs with a busy life. So Upad was part of that wave of PropTech 1, they're like classified businesses and they simply have to get on to Rightmove and Zoopla nice and cheap, but you are still left as the individual with navigating those risks and laws.

Calum Brannan:

What we do at Howsy is ours is a full managed service. So we take you through the entire rental life cycle, looking after the management and it's a fixed monthly fee and that's a pretty new model. And we do it entirely using technology. You might argue that Purplebricks was around, but actually the way Purplebricks launched, was they acquired a traditional lettings business to the north of England. We went from the very start, built the service from zero. So Upad is that classified business, that DIY part and we're in there as a fully managed service competing directly with the high street. And we very rarely will win a landlord over from the DIY side, very different landlord segment, we're winning business away from traditional operators.

Richard Blanco:

Does this issue of having feet on the ground in the locality, isn't it, as Michael was arguing, one of the advantages to do with the online sector is this sort of beauty of flexible packages. You can add on whether you want photos, floor plans, someone to go and do the viewings and so on. But many landlords will see the online option as one where they've got to do a lot of the legwork themselves. So is that an advantage or disadvantage?

Calum Brannan:

So Upad was a business that we acquired and brought into the family. Really we went and saved the business, so it wasn't kind of lost forever. And with Howsy it's about that full management. So we cover every major town and city in mainland England, and we have boots on the ground. We do two

inspections per year, we take full photographic inspections, expose them on the dashboard and allow landlords to have total control and oversight of the entire process. So everything from rent collection through the whole piece. So to answer your question, I guess there isn't much difference. The only thing we're delivering it on is a platform.

Richard Blanco:

And Calum tell me, when you talk about online platforms. When I think of an online agent, I think of myself tapping away, tapping away, but not actually talking to anybody. Is that wrong?

Calum Brannan:

It's about the right tech at the right time. It's the difference between standing out in the rain, trying to flag down a cab in Cambridge Circus in Soho, or it's ordering your cab, having one last drink in a bar and watching it arrive on your screen. They both result in the same end result. You're getting in a cab, you're getting home. One of them you're sitting back and you're watching the action happen. The other you're paying a little bit more money, maybe going through a little bit of stress. I would say that obviously I'm biased, I'm sure Michael can talk about all the great things that agents will do. And there's always going to be a place for agents. And I believe certain profile property types will need particular agents, but for us, we're a generalist. We look after the averages in the UK, the average property, the average landlord in an average city. And that's where we specialise.

Richard Blanco:

Michael, I alluded earlier to the sort of variable quality of service from high street agents. Now, obviously your agency is a reputable one and I've used many reputable ones as well, Michael, but what do you say about that? There are still quite a lot of agents out there that are offering slightly ropey service. And sometimes what happens is the front of house end of the business is great because there are energised people out there trying to get tenants and get the commission, but then the back office is a bit kind of dusty and cobweb-ridden.

Michael Cook:

Yeah, I don't disagree. As I said earlier, I think what you're paying for ultimately with a premier agent and a full service offering is the management service. That's where it's going to be won and lost because we've been in a landlord's market for a long time. We've got more tenants than we have properties. So letting a property is probably the easier part and then managing the property is where you earn your money. Price is only a real issue in the absence of value and I will say a lot to my team that I respect Calum and his part of the market in terms of what they're doing is keeping us honest and saying, "Look, you guys don't offer a top level service, then we're utilising more tech. We're asking our landlords to do a bit more leg work, we're going to pass the savings on to them."

Michael Cook:

So it does keep you honest. So for us, we've got to be providing a premium level of service. The management has got to be great. You've got to have the ability to pick up the phone and speak to people because that's frankly what customers want sometimes. It's great having good tech and we've got a business supported by good tech, but sometimes you just need to chat an issue through with someone and you're right, Richard, there's varying degrees of quality on the high street. My job and our job as a high street agent to make sure that we're at the top end of that.

Richard Blanco:

Well, let's round up by looking into the future. Michael, how do you think the industry will shift in the next 10 years?

Michael Cook:

I think the regulation of property agents will put more onus on landlords. And those landlords I think will seek a full service offering to make sure that they're covered and that their assets looked after. And they've de-risked things as best they can. I think online-only will have their place. And I think the middle ground of high street agents that push a let-only service without really offering a full management and rent collection service will start to get squeezed.

Richard Blanco:

Calum, Brandon and Michael Cook, thanks for joining us. Well it's advice line time and Catherine Behdad is back with us. Catherine, what are the hot topics this month?

Catherine Behdad:

Pretty much as usual Richard, obviously the long awaited tapering of notice periods has been the hottest topic.

Ben Beadle:

Good news Catherine, from the landlord's perspective that we see a little bit of light at the end of the tunnel reduced notice periods and the bailiff ban lifting. Give us a few headlines for those listening.

Catherine Behdad:

Probably the first thing to say is that bailiffs can start operating as usual for any possession orders that landlords have already got, and that's going to take effect from the 1st of June. So that's obviously excellent news. Section 21 notices are starting to taper off from the 1st of June. So instead of the six months that you're required to give currently that will drop down to a four month notice periods. And that will be the case until the 30th of September when we're hoping that all notice periods are due to revert to pre COVID levels.

Catherine Behdad:

And then importantly, there's a couple of changes with section 8 actually. I think we're just going to stick with rent arrears grounds in this podcast for ease, but obviously the website's got all the minute detail on other grounds. So in terms of grounds 8, 10, and 11, all three rent arrears grounds, the serious arrears level is dropping from the current six months to four months, arrears. So if you have four months or more arrears, you only have to give a four week notice from the 1st of June. And if you have less than four months arrears, you have to give four months notice from the 1st of June. So there's a couple of changes there, both the threshold dropping and the notice period dropping.

Richard Blanco:

We would always say, Catherine, avoid going to court if at all possible wouldn't you agree, Ben?

Ben Beadle:

This transcript was exported on May 27, 2021 - view latest version [here](#).

Absolutely. I think if there's one thing that landlords take away from the podcast and also the last 12 months is that compromise is far better than a long strung out legal battle that's for sure.

Richard Blanco:

And I'm struck by how technical these changes are actually. So this is where the advice time really comes in handy. Isn't it? Because particularly if you're using section 8, it's quite complicated over the next few months.

Ben Beadle:

You're absolutely right. The notice periods have always been a difficult topic, but given the complexity that exists around them and bear in mind what Catherine has said, is largely applicable for England rather than Wales as well. Well, of course they will decide their own tapering and how the eviction ban lifts on the 30th of June, rather than the 31st of May. It is an absolute minefield. And it's so important that these things are gone, right?

Richard Blanco:

It's a nerds paradise.

Ben Beadle:

Right up my street that's what I say.

Richard Blanco:

As ever and until next month, thanks for joining us, Catherine.

Catherine Behdad:

Thank you.

Richard Blanco:

Now, the thrill of the auction room and who better to take us there, than the legends that is BBC Homes Under The Hammer presenter Martin Roberts. Martin, welcome to the programme.

Martin Roberts:

Hi, delighted to be here.

Richard Blanco:

Fantastic to have you Martin. Now my goodness, how has buying at auction changed over the 18 years that you've been working on the show?

Martin Roberts:

Yeah, it's stunning right, 2003 we started. And I think when we began a lot of people's view about auctions was it was the wild west. It was the properties that nobody wanted to buy. It was just for developers, it was here there be dragons. I think one of the things Homes under the Hammer has done, is it's shown that to be absolutely true. [Laughter]..... No, it shown that that's not the case and that normal people do do it and can do. And that there are some great opportunities there. So I know from

my close associations with all the auctioneers, that we've definitely done a great job of bringing it mainstream and not everybody who watches the show - and there's one and a half million of them who watch every day - not all of them will even go anywhere near an auction room.

Martin Roberts:

But I do meet enough people obviously, when I do the show who have been inspired by seeing the show and I do property training courses and all sorts of things where I meet people there. So I know that we have had positive influence on auction. So, that's the first big change, is that I think they have become more accessible to what you would call 'normal people'. And maybe it's opened landlords' eyes as it being a way to get hold of property. And yet still, it's quite surprising that only 6% of the properties are sold through the auction, 94% is sold by other means. And I still find that quite a shocking number.

Richard Blanco:

I was just going to ask Martin, how has the show adapted because presumably auctions have gone online haven't they recently? And you're filming the latest series, I think it's series 25, which airs later this year. So has the show had to adapt around that?

Martin Roberts:

Obviously the biggest change has happened in the last 12 months, when we've seen a massive adaption having to take place and you couldn't have people in a room. Now, there was previously an online presence. So you had the traditional auction houses, the big auction houses who had started to trickle in the idea that you could be on the phone, you could be on the internet bidding, but then of course Covid happened wham and they've had to just fast track that to a point where picking up the pieces, they had to do it that way or not at all.

Martin Roberts:

And interestingly, I think we're finding a lot of areas, they've actually found this really successful. And so I'm sure that real life in the room auctions will return, but the auctioneers will not be doing it probably for financial reasons, more for the theatre and then the excitement and whatever. And speaking to one of the major auctioneers, he said, we're all looking at each other because it will be the person who started to get a commercial advantage from having a real life auction who will force the rest of us to go back into auctions. But actually if we all don't, none of us will.

Richard Blanco:

There is that tension in the room, isn't there, Martin? I always say that you need nerves of steel and there's that kind of drama of exchanging contracts on the fall of the gavel. You know, it's quite unique, isn't it? I mean, what would be your top tips for buying at auction sort of auction do's and don'ts?

Martin Roberts:

Well, auctions are quick. Whether you're buying online or you're buying in the room, it does happen really, really quickly. The whole process happens really quickly. So by the time you get to the auction, the properties will have a contract ready to exchange. Okay? So that's been through all the legal process, and it's a piece of paper, which you sign on the day, and that is a legally binding contract. Exactly the same contract as you would get, if you went through a normal legal process and some months down the line, eventually the lister sends you a contract to sign. It's the same contract, okay?

But it's there ready for you to sign, so when the hammer goes down, you sign that contract. You're legally obliged to buy that property. You then have got to go into this period, which could be an extremely short period where you pay 10% on the day. And then up to 28 days later, you have to complete on the purchase.

Martin Roberts:

So the main thing you have to go into the auction prepared to be able to buy that property financially within 28 days. Because in some instances it's not 28 days, it's 14 days. So you need to have your finances in place and you can get bridging loan, finance, and all sorts of stuff, but as we know that's really expensive. So sort out your finances. Do your research, don't assume you're going to get a bargain. A lot of people think that all auction properties are bargains. Well, there are bargains at auction, but not all auction properties are bargains. So the only way to know the price that you should be paying as a maximum is by doing your research and it's all available online, isn't it? So you can go, you can check out comparable properties and you can know exactly what you should be paying.

Martin Roberts:

And then you can factor in the build costs, any work you're going to have to do to get it into a habitable standard or whatever. And then you really, really do need to read the legal pack, okay. Which is produced by the solicitors who are selling the property. And that contains all the sort of nuts and bolts, covenants. It could contain details to defective title, it'll just let you know the legal status of that property. And you have to visit the blooming place. I was at a property today. I was filming in Burton upon Trent, and it was a fire damaged property. It was a mid terrace, it had been used as a place for growing naughty things. So it was a complete disaster. The person who bought it, thought it was a bit of a bargain, bought it, had never seen it. So they arrived there to a house which you could reasonably assume had at least a roof, to discover thatit didn't even have a roof. So you need to visit the property. So those are the key things.

Ben Beadle:

Martin, sound advice. And I'd hate to have been in that purchaser's shoes rocking up to that property without a roof. You must've seen quite a lot in your 18 years on the show. Can you give us another example of a crazy purchase or someone that hasn't followed your advice or it's gone horribly wrong?

Martin Roberts:

Well, it is sometimes those people who just buy things on a whim, and this is an annoying story because it turned out okay for the people. But there was a young couple who were in the bar at the auction and they heard the auction going on and they sort of staggered into the auction room. And as a joke, they put their hand up in the air and they bid and the auctioneer said sold. So they had no idea what they'd bought, they had no idea where they were going to get the money to buy it. And they were just in a complete mess, but they were committed, so they bought this place. Annoyingly somebody couldn't get to the auction, was really delayed in traffic or something, got to the auction said, "Oh no, I missed my lot." So the auctioneer pointed to the direction of this couple who sold it to them for £20,000 more that they'd just paid three minutes earlier. And they were drunk.

Ben Beadle:

I bet they had a few more drinks after that. Excellent. I do like that.

Martin Roberts:

It's a terrible story. We don't allow that sort of thing to happen, but auctions are dramatic, auctions are theatrical. And you know what? I will really, really miss some of the characters of the auction rooms who are performers, the Clyde Demsons, the Chris Colemans, the Graham Pennys, they are absolute showmen and they get up there and for that period, once every six weeks, they are on show and they play the room. They are so dramatic and it's wonderful to watch. So I, for one will be really upset if we don't go back to at least some live auctions, we're managing to make the show using the online auctions, people coming forward. But part of the thrill, isn't it, is actually seeing that interaction at the auction.

Ben Beadle:

No indeed, but you're not just about auctions though, are you? Although you've done a lot of auction work. Tell us a little bit about your property journey if you wouldn't mind.

Martin Roberts:

So I started out in a family where my dad was into his DIY. And so I grew up with a house that was constantly in a state of mess. The kitchen was never finished if it was, it was like the Forth road bridge. As soon as it was finished, it would be started again. But it got into my psyche that you do things yourself. I feel it's a real shame that you we are losing that DIY, have a go kind of things with kids. And I've got my own kids and I'm really trying to encourage them just to try and not lose this whole idea of DIY, because that's what started me off. So when I got my first home, I just did what came naturally. So I replaced the bathroom, I just did the kitchen up. I was starting my career in radio and being paid no money - twenty-five quid a week or something.

Martin Roberts:

But at the same time, doing up this house which I had managed to buy with some help from my mum and dad, and then two years later, I came to sell the house and it had doubled in value because of the effort I'd done. And obviously the property prices going up a bit. So I made like £20,000 from this house and I made £2,000 from my job as a radio type person. And the penny then dropped, I thought, actually property can give you an opportunity to do the things you love. Now it can be a job, it can give you freedom, it can give you financial security. It can give you an opportunity to make loads of money and then give it all away to charity, whatever floats your boat. And so I was doing that, but my media career carried on and I ended up doing Wish You Were Here, which is a travel show many years ago.

Martin Roberts:

And then Wish You Were Here finished. And some conversations with some, some people who were developing all the shows and they were thinking about property, that things came together. So you know a bit about property and out of that came Homes Under The Hammer. So it played to my strengths, but I had no plan that that's what I would end up doing. But now I've taken the stuff I do on telly and my experience and we do property training courses and sort of inspire people to do it right, and be professional about what they do and written several books and now I've got a YouTube channel called Martin Roberts Property Titbits, which guides people and helps them. So I'm all about giving back. And I'm like you guys trying to set some standards in the industry and offer support to people who are doing a darn good job.

Martin Roberts:

And sometimes I think, especially with landlords, they get a really bad rap and that's rubbish because they're providing housing when nobody else is going to do it. Like this house today had no roof. It was a terrible place. This person's going to put their own money into turning that around, it's going to cost them 40 grand to sort it out. And then they're going to be putting it on the rental market, getting 450 quid a month for it, right? So that payback is enormously long. Okay, they're looking at it for the bigger picture, but they're putting their own money into that.

Martin Roberts:

So why should they be penalised in any way, shape or form? Why shouldn't they be put on a pedestal and say, 'well done' as all landlords should. And I know there's bad landlords out there, but there are in any industry. But one of the great things about the NRLA and what I try to do in my property training is just trying to get people to do it right, professionally, support them and then get out there and say, actually, the majority of people are doing it, are good people, and we need to support them, not make it harder for them.

Richard Blanco:

Well, I wanted to ask you about that Martin, because being a landlord now it's really evolved because of the increased regulation. We've had the tax changes, we've got licensing, the abolition of no fault eviction. There's this kind of political hostility. What are your views on being a landlord now? I mean, you're preaching to the converted of course, when you say that we do a lot of good work, but of course we need to do a lot of persuasion of other people, particularly people in power around that.

Martin Roberts:

It's astonishing that that is the case. Because if you take private landlords out of the equation, what is going to happen to the housing stock? What properties are going to be there to rent? Where are the nice houses going to come from, who is going to pay for the refurbishment of that place I was at today? Nobody, it's going to sit derelict in the street. It boggles my mind that any of us are having to stand up and preach to anybody because they should be going, "Yeah, we get it." And I just think, without pointing fingers, the housing ministers have just not got it. So we need to be lobbying those people, let's just take you out for a day, shall we, let's just show you what actually happens as opposed to what you think happens.

Ben Beadle:

But you know what, we should maybe do an open invitation to Chris Pinscher to give him a bit of a tour Martin.

Martin Roberts:

A bit of Homes Under The Hammer. I get really angry about it. It's a tough world. The regulations that have come in are all well and good that we're protecting people, but then we're taking away some of the financial incentives and dropping things you can claim for in terms of set offs against your business. It's like, "What? Are you seriously saying I can't claim for wear and tear on my carpets?" So I do get very angry about it. You're not going to be able to please all the people all the time. What you do need to do is influence and make the people who do actually have a power, understand quite what the truth is rather than what the complete rubbish is.

Ben Beadle:

No, I absolutely agree with that Martin. Thank you for your impassioned plea there. A further question, if I may thinking about property developments, what do you think the opportunities in property development for experienced landlords are now given the market that we're in?

Martin Roberts:

Talking about taking on projects and building your own portfolio/housing stock. I think it's very exciting times. We are going to see literally the changing of the planning laws. Now there's people who are for, there's people who are against it, but I think that is going to open up whether you like it or not. Some very interesting opportunities for previously un-developable plots of land, previously un-developable buildings to be turned into really, really interesting housing stock. And then you've already got the relaxation of the rules in terms of converting office space into residential and stuff like that. I mean that to me throws up some fantastic opportunities. And I also think it's also a saviour of the high street. Now, people wanting to move out, we see this massive influx haven't we or outflux of people from the cities into the countryside, are coupled with all the struggles that things are happening on the high street.

Martin Roberts:

If we're not careful, we're going to end up with ghost towns. So I think whatever you can do to bring people back into the towns, be that providing accommodation above shops and all that kind of stuff, or in office space, I think there's some great opportunities there and that is being supported. So I think there are some good opportunities to build your own housing stock or convert buildings into the kind of property that's going to be low maintenance for you as a landlord. I think there's some great opportunities out there now, and some of them are available for sale at auction and some of them are available for sale elsewhere. Or some of them might be brownfield plots of land that you can do something with. So I think it's a very exciting time.

Ben Beadle:

And if you were starting out today, where would you turn your attention, where would you begin?

Martin Roberts:

It comes down to, in my mind, the non-sexy stuff. It's the two up, two down terraces that people want as a transition from their first homes. So it's having lots of those, which you can pretty much guarantee how much it's going to cost to do them up, focusing on one area maybe, so you can manage them all. When you start out, there's a temptation to sort of go for the trophy properties, isn't there? The ones that you love, but actually the sort of stuff that's going to cost you £70k - £80k, you're doing it up, spending £20k, getting it ready, you then got £100k worth of property. It's worth £120k because you've done it up and it looks great. And you then renting it out for £500/£600 pounds a month, bringing you in a 7, 8% yield. That kind of stuff is a really good bedrock. You're generally not going to get into too much trouble.

Richard Blanco:

Some people would argue that property shows have adversely pumped up the markets, Martin. I mean, do you think that shows like Property Ladders? Do you remember that years ago and all the different ones that followed, have created lots of amateurs or inspired successful businesses?

Martin Roberts:

So I think this idea that somehow I and my fellow TV presenters who run property shows have somehow skewed the market, is hugely complimentary, but a load of rubbish. We are not, I don't think we are in any way, shape or form responsible for that. I think we've inspired people to do it. We've inspired people to show them that normal people like them are doing it. I think that demystification, we take people and we just show them. There's lots to do, it is quite complicated and it's easy to get it wrong. But once you are taught how to do it and do it properly, then you don't have to be a rocket scientist. There's a well-established process that you can go through that will result in you actually making quite a lot of money and also providing accommodation for people who need it and also improving your lifestyle. And also if you want to putting back something into society along the way.

Richard Blanco:

Now, Martin I want you to imagine that a big commissioning editor from one of the big networks gives you the opportunity to make your dream TV show. What would it be?

Martin Roberts:

Well, I've got a couple of formats out there, actually. Yeah, definitely. I can't actually say because somebody will steal them, but there's something that's very current, very relevant, slightly different, but all to do with property of course. So watch this space. And then I want to try and do Strictly because I reckon we need to have somebody who represents the NRLA on Strictly and there's bound to be some kind of property thing we can do there with a tumbled down house.

Ben Beadle:

And Martin, we've got some NRLA sequins that we can sow on, we are so there.

Martin Roberts:

Will you remember to support me, do you think? It's all about voting.

Ben Beadle:

Indeed, we'll be ringing up every 30 second interval.

Richard Blanco:

I can't wait to see the spangly outfit Martin. Thanks so much for joining us Martin.

Martin Roberts:

Pleasure. And if people want to know they can go on Martin Roberts Property Titbits on YouTube, there's lots of fun stuff on there. Some silly stuff, but also some good property advice.

Richard Blanco:

Lovely thank you. And Martin also features in this month's Property magazine, which is well worth a read. Well, that's it for this episode, Listen Up Landlords comes to you from the National Residential Landlords Association. You can find plenty of information on the topics we have covered today and more at nrla.org.uk.

Ben Beadle:

This transcript was exported on May 27, 2021 - view latest version [here](#).

Don't forget to follow the NRLA on social media for all the very latest on all things PRS. All that remains for us to say is thanks again to our guests and to our producer, Sandy Walmsley.

Richard Blanco:

Please join us again next month and thank you for listening.