

It's never too late to start investing in property...

Collette Lord tells us about her experiences and how she started investing in property later in life

“I began to realise that ‘property’ is a huge business”

Why did I start in property? Well, the truth is that I became a landlady by accident. In May 2000 my mother's neighbour phoned to ask me what I was going to do with mum's house, as she had just passed away. I'd done nothing about her estate, nor about her house – which was cold, and still full of her belongings. I had no plans, until my mother's neighbour told me about her friend who had nowhere to live – and suddenly I had an idea! I drove up to Coventry, visited a local lettings agent, got a landlord's information pack, took it back to my mum's house and read it. I decided that it couldn't be that difficult to be a landlady. A week later, I was a landlady!

I have to understand about what?

I decided that this 'landladying' could be quite fascinating, so I started to do some research. I went to a free two-hour seminar, but feared the full course was too high-flying for 'lil' ole me'. I went to another free seminar, and signed up for their course. I would not recommend it – it cost me a huge amount of money and everything they teach is available on the web for free and – despite the hype – there are NO secrets to buying property – none at all!!!

I began to realise that 'property' is a huge business – and that if I was going to succeed, I needed to understand:

- My chosen property market
- Maths, accounting and spreadsheets
- How buying at auctions works
- How estate agents work
- Legalities of conveyancing
- Mortgages and bridging finance

- The different types of survey
- Building regulations
- Planning law
- Landlord and tenant law – including evictions
- The court process
- Local authority housing policy
- Welfare legislation
- Property taxation
- How to draw up building specifications
- How to create joint ventures and agreements
- And people – being in property is about negotiating with people; if you're not good with people then my advice would be don't do it.

I soon found a local monthly property networking group and I attended assiduously for months, soaking up the knowledge and experience of those who were already landlords. Meanwhile I read many websites and built up a substantial knowledge, gathering together a database of articles, information, links, websites, laws and finance opportunities. I joined the National Landlords Association, and I re-mortgaged my mother's house.

I now had deposit funds sitting in the bank ready for my first purchase.

I continued to research and go to networking meetings. I just could not make that final step. Fear was holding me back. I had never taken such a financial risk in my life before.

About this time, I completed my first balance sheet. Astonishingly, after adding up all my assets, savings, shares, post office accounts, equity in my two



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houses, pension funds, ISAs and cash, I realised that, if things did go wrong, I had enough of a safety net to not lose my own home.

I finally took the plunge. Four weeks later I had bought three houses! I now have nine 2-up-2-down terraced houses and 1 one-bedroomed flat.

What sort of house do you want to own?

An individual's personal purchasing criteria will inevitably change as the market does, but at that time my criteria were:

- An asking price of no more than £60,000
- Rent had to be a minimum of £350
- Rent had to be 145% of mortgage monthly payment
- When calculating the above rent had to be calculated at 2% ABOVE current mortgage rates

- There had to be a demand for property in my chosen area
- It had to be in a street with more owner-occupied than rental properties
- It had to be in an area where regeneration funds were available
- It had to be in an area where there were relatively few adverts for houses to let weekly
- It had to be in an area where the Local Plan did not indicate demolition for regeneration

And so they grew like topsy

Meantime I had heard of Dominic Farrell (Bewarethesharks.com) and spent a fair bit of time talking to him about property, trends, economics, finance etc and, liking his style, I decided to do his course. His course is different to any other I have come across. Before doing it, there was a personality-type

questionnaire to fill in on the computer, and the results were given to us on the course. I recall thinking that the results defined my personality to a tee, and how clever that was! It reinforced my own newly found ideas about my burgeoning business.

The results showed me I was passionate, determined, decisive, and that I had the leadership qualities necessary to become self-employed and hopefully be a successful property entrepreneur. It assessed my attitudes to financial risk and the different strategies, and it made me look at my approach to finance. I realised that I needed more tuition and learning in this area, and so that is what I did. I pestered finance guys and gals till I understood the jargon, and soon learnt to understand the various types of mortgages. SVRs, ERCs, IOs all became music to my ears.

Many women find jargon scary but we have to learn it to become accepted as a professional, so get studying!!!

Today I own ten properties – all of which I manage myself. I am currently in the process of buying another two. I manage several properties for five other landlords and I also project manage refurbishments for other landlords. I am excellent at trouble-shooting tenancy issues, and I offer a personal property mentoring service.

Buy to let is a long-term business. My profits at the moment are not huge, but the long-term capital growth means that I will have assets sufficient to fund my hobbies and pursuits for when I retire – I'm aiming to sell a house to buy a share in a plane in around four years' time!

What does the future hold? I'm honing my negotiation skills to help folk who are on the verge of repossession; improving my marketing; employing administration staff so that I can do more of the 'heart' of my business; possibly investigating the overseas market and emigrating to somewhere warmer and less regulated – all thanks to some smart investment moves!