

# Property Management Secrets Revealed

*How to Get better organised and Boost Your property  
Cash Flow!*

By

Amer Siddiq



[www.propertyportfoliosoftware.co.uk](http://www.propertyportfoliosoftware.co.uk)



**DOUBLE Award Winning Landlord Software Designed By Landlords**

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## 1. Amer Siddiq – UK Landlord



First and foremost Amer Siddiq is a property investor. He is passionate about all aspects of property investment and over the last ten years has grown a portfolio in the northwest of England

As well as growing a portfolio and speaking in public at various property investment/landlord events, Amer has also brought to market a number of websites to help investors to better manage and grow their portfolios, increase Cash Flow and reduce their taxes.

This includes [www.propertyportfoliosoftware.co.uk](http://www.propertyportfoliosoftware.co.uk). Property Portfolio Software provides award winning property management software and landlord software solutions that are guaranteed to save you time, money and effort in running all aspects of your property business.



## 2. SEVEN Ways to Boost Your Property Cash Flow

### 2.1. Don't Fall Onto The Standard Variable Rate...

Now, no doubt you'll have seen interest rates plummet over the past few years.

However, lenders are no longer passing on the .rate cuts and have steadily been increasing their own standard variable rates. For example when the Bank of England Base Rate is at 0.5% some banks have slowly moved their variable rates to over 6%.

Ouch!

This is what you call – “not passing on the cuts to the landlords/homebuyers”!

So, if you have been on a fixed/discounted or tracker rate mortgage and you fall onto the standard variable rate with a bank that has a high rate then the new rate could indeed cripple your Cash Flow!

The first thing I would suggest is if you have fixed-rate mortgages (or any other kind of tie-ins), is to make sure that you are aware of their expiry dates; suddenly going from a fixed, competitive rate, say for example 3-4%, on to a banks standard variable rate may not be what you really want to do.

Setting up a reminder system to notify you of when your fixed rates expire will help to avoid unnecessarily high repayments.

<< Our [property management software](#) solutions will do this for you automatically >>

Start speaking with numerous mortgage brokers and financial advisers about three months before your rate expires to guarantee that you are securing the best deal for you, before your current rate expires.

During a recent event, I was able to speak to a mortgage broker who was also attending, and when I enquired as to how business was going with so many mortgages being withdrawn, his response was “Absolutely fantastic”. How could that be possible?

## 2.2. The Real Creative Financial Advisors

The reason, it seems, is because they are **creative financial advisers**. The many mortgage brokers who have been offering only specific, general products are starting to drop away, leaving the way ahead clear for brokers who are able to create financial solutions tailored to your needs.

Scouring the market will mean that not only can you get some **really competitive rates** but also really creative financial products.

Remember, mortgage offers are **valid for six months**, so take advantage of good rates when you see them as they can still be used several months later. The critical thing here is to not let your fixed, or discounted, rates blindly fall into a variable rate, because the first time that it will come to your attention is when you see your bank statement showing a payment of £700 when it should be 400.

## 2.3. Scrutinise All Costs!

Ask yourself, how much **money are you making** from your portfolio; what does this break down to with regards to individual properties? Now ask yourself, how much money am I losing? Hopefully the answer to this last question is ‘NONE’!



Proper property housekeeping is a great way of realising where you could be reducing your expenditure and increasing your cash flow.

**Start scrutinising** all of your income and expenditure and begin by drawing up a profit and loss sheet relating to your portfolio, keeping a record of exactly what you are paying out and how much money is coming in from your tenants! The key thing here is to make sure that you are keeping your properties' cash flow positive. If there is negative cash flow, think about the costs and whether they are necessary. Think: do I really need to be incurring that cost? If possible, try and do away with unnecessary costs!

## **2.4. Do Not Accept Negative Cash Flow!**

This is so important that I will say it again! **Do not accept negative cash flow**; just because it exists does not mean you have to accept it as part of your property business. If you are getting negative cash flow, think about your property investment strategy and work up from there.

In order to maintain a positive cash flow it seems that people have shifted towards HMOs (Houses in Multiple Occupation) rather than just renting out houses to families.

After purchasing a terraced house, for example, you could rent the entire house out for about 500. If you were to convert that same house into a HMO, you can rent each room out individually and receive about 750 instead. That is an extra £250 of income which, after costs, could be the difference between positive and negative cash flow.

<< To see a sample [cash flow graph](#) from our landlord software please click the link >>

## 2.5. Lower Your Tax Burden!

The next thing to do is to lower your taxes. Through our sister website [Property Tax Portal](#), I continuously hammer home the need to lower our taxes. In order to boost cash flow and lower taxes you need to make sure you keep all of your property receipts.

Why? Because generally speaking each non-capital expense that you incur for your property business can be offset against your rental income. So keep a log of all property-related expenditures.

Too many landlords don't keep hold of their receipts and then end up paying **too much in taxes**.

Expenses like decorating, repairs, travelling, phone calls and text messages do not seem like a lot at first but come the end of the year, on a number of properties, when all are amalgamated together, you will see that they are actually quite a significant amount.

These expenses can be offset against your rental income, which could be the difference between paying a tax bill and having no tax to pay at all.

Golden rule – individually, costs might seem minor (like the telephone calls, etc) but collectively they can be the difference between a zero tax bill and an unnecessary one.

## 2.6. Don't Be Scared To Raise Rents!

REMEMBER: You are a landlord and letting property is your "business". This means that you should be making **profitable income** from your property both from a rental cash flow perspective and from a capital gain perspective.

Make sure that you are charging market rents for your property and don't be afraid to put up the rent, regardless of how good the tenant is. If a tenant has

stuck with you for so long then it is for a reason, the most probable one being that you have delivered a very valuable level of service and they daren't risk going anywhere else.

Just like employees expect a salary increase each year, so you should also expect a rental increase, as your costs are also likely to rise as well.

**REMEMBER:** make sure that you give your tenants plenty of notice before any rent increase is set and explain your reasons for increasing the rent. Don't just say, "from next month the rent will be increasing by £50".

Officially write to the tenant and mention what the rental market value for this kind of property is, and give some comparables in the local area.

Also, remind them of the high value service that you provide so that they see that they are getting exceptional value for their money even after the rent increase!

## **2.7. Minimise Your Void Periods!**

Too many landlords still wait until a property has been vacated before they start advertising the property for letting again. Once your tenant hands you the notice detailing when they are going to leave, agree an initial inspection of the property and make it clear that you expect to be able to show prospective tenants around the property immediately.

Just by following this simple procedure, you should be able to get back-to-back lets. What I mean here is that when a tenant is leaving, the next tenant is ready to move in within a day or two.

This will, of course, help you to receive maximum rental income, whilst at the same time minimizing any void periods.

Remember, if a property is left empty for a month then not only are you liable for any mortgage expenses but you will still be liable for expenses such as council tax!

## **2.8. BONUS Cash Flow TIP**

### **How a 'little tweaking' dramatically increases your chances of the rent being paid!**

Make sure your rent is paid by standing order around the time the tenant gets paid by their employer. Even if a tenant moves in on a day which is nowhere near their payday, consider adjusting the rent due date to be on or just after the date the tenant gets paid.

A little tweaking of the rent due date means that your rent will be the first (or one of the first) expenses to come out of the tenant's account after their salary has been paid.

On top of this, make sure the rent is paid by standing order so it automatically comes out of the tenant's account and no tenant initiation is required.

These simple tips will dramatically increase your chances of the rent being paid in full and on time!

### 3. FIVE Ways to Market A Property Quickly

No doubt, as a good practising landlord, you'll know that the two biggest threats to your property cash flow are:

- 1) Voids – time when a property is not let
- 2) Bad tenants – our worst nightmare

In this article I want to focus on the former, and give some pointers as to how you can minimise them. As rental prices are increasing in many areas, the last thing you want is for any increase to be negated by voids.

Here are my five top tips for letting a property quickly:

#### 1. **Marketing the property**

Start marketing your property at least a month before the tenancy is due to come in and make sure that your tenant pays you for the full notice period even if they decide to leave quickly.

#### 2. **Having viewings during existing tenancy**

Make sure your tenant knows that viewings will take place in the property during their notice period and that the property must be in a clean and tidy condition. Make sure it's clearly explained at the start of the tenancy.

#### 3. **Don't let maintenance get in the way**

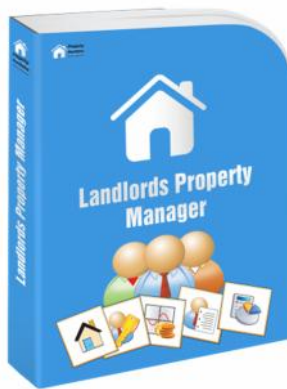
If you require some maintenance works in between lets then, unless they are major works (and the property is a dive), still allow viewings. I've had plenty of tenants look at properties whilst they were being re-decorated and they feel like they're getting a new home! Marketing it after you've completed works means you'll lose money.

#### 4. **Process tenants quickly**

Make sure you carry out your tenant checks quickly and have a tenant application form ready for prospective tenants to fill in on the day of the first viewing. Ask your tenants (subject to your checks) how quickly can they secure the deposit – it shows you how serious they are.

#### 5. **Create a buzz...and make better use of your time**

Try and have group viewings, so you create a buzz in the property. You'll quickly find out which tenant wants the property the most as they will look to secure it quicker than other prospects if they feel they have competition!



#### **Keep on Top Of Your Rents – Today!**

Want to minimise voids and bad tenants?

Use our UK leading landlord software, Landlords Property Manager, to track all rents quickly and manage your tenants.

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## 4. SEVEN Ways To Get Better Organised In Your Property Business

As landlords, over the past few years we have spent a significant amount of time and effort buying properties and growing our portfolios.

Why not?

After all, we have seen massive property price increases and, by default, the equity stake in our portfolios have grown significantly!

However, the property market has changed drastically and now landlords are focusing on two main things:

- getting better organised with their property matters
- keeping a positive cash flow

I have already talked about cash flow in the first strategy so let's now see how landlords can get better organised!

**REMEMBER:** owning a property is not just about having a portfolio, seeing it increase in value over 10-15 years and then selling with hefty profits!

Every successful landlord has a system in place that allows them to run their property business like clockwork whilst making rental and capital profits.

Once you become a landlord, you have legal roles and responsibilities that you must fulfil.

And believe me, I have seen many people come a cropper because they have spent too much time on just buying property but not taking on the full duties of a landlord wholeheartedly.

Your success in property does not stop when you have purchased the property; in fact, that is when it really starts.

Here are some of the systems that you need to put in place in order to make sure your property business runs like clockwork and gives you stress free management:

#### **4.1. Getting the Right Tenants!**

Remember, tenants are the key to your business success and they will determine how much money you make from your property. So getting the right tenant in to your property is an absolute must.

**TIP:** Before you start spending money on having potential tenants verified, there are certain things you can do to vet them yourself at zero cost. Make sure you get each tenant to complete a 'Tenant Application Form'.

Make sure on this form you ask them for: proof of ID; the last three months bank statements; current and previous employment details, and previous landlord details as well.

The bank statements are key as they will let you see how much 'positive' cash flow your tenant has on a month-by-month basis. If they can't or are not willing to provide this then I would be inclined to reject the tenant - **FAST!**

#### **4.2. Don't Make This Mistake**

Don't forget, you need to make sure that you have the right Assured Shorthold Tenancies (AST), Section 21, 18 notices available if you need them.

**TIP:** The last thing that you want is to be disorganised and end up losing about six months rent because you are not aware of the correct documents



that you need to use should a tenant default. **Remember, knowledge is power!**

### **4.3. Be Aware Of Certificate Expiry Dates!**

No doubt you will be aware that by law every landlord must provide gas safety certificates (if applicable), and it is also desirable to have electrical certificates as well.

**TIP:** Make sure that you have a system in place to automatically remind you of when your certificates are coming up for renewal. Get them renewed quickly to show your tenants how on the ball you are!

### **4.4. Make Life Easy for Your Tenants...**

Once again, your tenants are your golden nuggets. There is no point in having a property in the right location, with the potential for big gains, if you don't look after your tenant who, in turn, don't look after your property.

**TIP:** Create a **Tenant Welcome Pack** that gives the tenant all the essential information about your property when they move in to it.

A typical **Tenant Welcome Pack** would contain the following bits of information:

- Your details (how to contact you)
- A list of all the utility suppliers  
(e.g. gas, water, electricity etc)
- A list of certificates and suppliers  
(e.g. gas safety, electricity etc)
- A list of relevant insurances  
(e.g. appliance cover, boiler cover etc)

I have a **Tenant Welcome Pack** which I have used to enormous effect, to help me to get tenants who will pay top market rent for the property!

Why?

Well, don't forget, just as landlords may fear having the 'tenant from hell', equally tenants are afraid of getting the 'landlord from hell'. So, a Tenant Welcome Pack shows that you take your property business seriously and want to make sure your tenants have a stress free stay in your property.

#### **4.5. Keep ALL of Your Property Receipts!**

I will talk about this in a later strategy, but make sure that you keep all of your property receipts and develop a system for logging and tracking them on a regular basis.

**TIP:** For each month, get a plastic wallet and store all the receipts for that month in there, then, at the end of the month, put the receipts into your property management software or spreadsheet.

It really is as easy as that, but the key thing is to make sure that you get into the routine of doing it regularly.

I know it is something that most landlords tend to put off, but nailing this and doing it regularly will make matters easier and stress free for you in the long-term.

For those who have larger portfolios, you may want to have a wallet for each property/month.

## 4.6. Track Your Inventories!

You will be surprised at how many landlords accept losing inventory items and see it as a part of the cost of running a business.

Sorry!

I don't agree and I find that most landlords who take this kind of attitude are the ones who hit cash flow issues quickly.

At the end of the day, the reason we invest in property is to make money and to have a profitable business. Therefore, each and every cost needs to be accounted for and somebody needs to be accountable for it.

**TIP:** Make sure that you have an **inventory check-in** and **check-out** process when the tenant moves in and out of the property. This is especially important if you are providing non-throw away items.

Some landlords will even go to the extent of taking pictures of items/rooms (particularly in new builds or newly refurbished property).

Again, if you do this, then make sure you have a system in place for logging these photographs.

Remember, property is an asset that needs to be managed. It is not like the stock market where you can buy a share to hold onto for between 3 - 15 years, and then sell to make a handsome gain with no effort at all.

Your management skills will determine how much success you have and how much money you make from your property business.

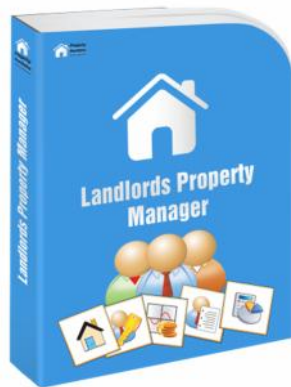
Therefore, getting **better organised** will help you **save time, money and effort in managing your portfolio!**

## 4.7. Planning Is Key

The fact of the matter is that we all have properties that will require some level of fixing/updating or modernising.

If this is the case then make sure that you get the work planned before the tenant has moved out and it starts as soon as the tenant has left. Ideally it should start the day after the tenant has left.

A little bit of planning will help you to not just get your property ready for let quickly but it will off course keep your void periods to a minimum!



### Get Better Organised Today

Want To Save Time So You Can Do More?

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## 5. FIVE Ways to Slash Your Property Taxes

I always think that unnecessarily paying too much in property taxes is just like burning your money! In other words there is no need to do it!

Here are five ways you can reduce your landlord taxes legitimately!

### 5.1. Look to Claim Costs as 'Revenue' Costs!

If you can claim large costs as '**revenue**' rather than '**capital**' costs, then you can reduce your annual property income tax bill in a big way.

Sometimes it is easy to determine whether a cost is of a capital nature or not. For example, if you have had a new conservatory built, or even a new bedroom added, then this is clearly a capital expense. **This is because it has increased the value of the property.**

However, sometimes distinguishing between the two costs is not so clear.

Consider the replacement of windows. If you currently have rotten, single-glazed windows, then you will be able to replace them with UPVC double-glazed windows and offset the entire cost against the rental income. There will be no need to class this as a 'capital cost'.

Why?

This is because it is generally accepted that the standard windows used in modern properties are UPVC, and not wooden, single-glazed windows. So, you are actually replacing the current standard window fitting with a like-for-like window.

**REMEMBER:** If you can class a cost as a 'revenue' cost then it will improve your cash-flow as you will pay less in property taxes!

## 5.2. Claim Tax Relief On ALL Revenue Expenditure!

**Remember the golden rule:** If you have incurred a revenue expense for the purpose of your property, then you can offset it against the rental income.

This means that you can continue to lower your tax bill – *legitimately!* Most investors are aware that they can offset mortgage interest, insurance costs, rates, cost of decorating/repairs, wages and costs of services.

However, so many investors fail to claim the following costs, which, when added together, can provide a significant tax saving:

- Costs incurred when travelling back-and-to the investment property
- Advertisement costs
- Telephone calls made (or text messages sent) in connection with the property
- Cost of safety certificates
- Cost of bank charges (i.e. overdraft)
- Advisory fees e.g. legal and accountancy
- Subscription to property investment related magazines, products and services

## 5.3. Register Any Rental Losses!

I cannot stress this point enough!

The generally low rental yields on buy-to-let investment properties purchased over the past few years has meant that an increasing number of people have been making an annual rental loss.

By registering these losses with the Inland Revenue you will be able to take these losses forward and offset them against *future* profits.

Given that the past few months has seen a rise in rental yields, there is a strong likelihood that your investments will now be starting to return an annual profit.

Therefore, by having registered your previous years' losses you will be reducing your tax liability going forward.

Although it is not a compulsory requirement to register your losses with the Inland Revenue, it will work to your advantage and, most importantly, will save you tax.

#### **5.4. Switch Property Ownership!**

If you have a spouse who is a lower rate (or even nil rate) taxpayer and you are a higher rate taxpayer, then consider moving the greater portion of the property ownership into their name.

This means that a greater part of the profit will be attributed to the lower (or nil rate) taxpayer thus meaning that any [property tax](#) liability could be significantly reduced.

This is a very powerful strategy if your spouse does not work, as any tax liability can be legitimately wiped out.

Please note: that in order to use this strategy you partner must be trustworthy as legally they will 'own' a greater share of the property.

## 5.5. Mix And Match The 10% Wear and Tear Allowance!

If you are offering a fully furnished property then it may be tax beneficial to use the 10% wear and tear allowance.

This is because you can start to claim the relief as soon as you start to receive income from the property.

If you have purchased a property in the last twelve months and have fully furnished it then you **MUST** consider the costs incurred for furnishing the property.

If the cost was high, then it may be better to start using the 10% wear and tear allowance.

This is because:

- You will be providing high-quality furnishings and will not expect to replace them for a good few years, i.e. 5-7 years.

Therefore, by claiming the 10% wear and tear allowance you will be able to start claiming the relief immediately. This means that up to 10% of your rental income will be deducted.

If you do not claim the allowance then you will be using the 'renewals' basis method, which will not be used until you replace the furnishings.

So, for example if you spend £7,500 furnishing a brand new property before you let it, then none of this cost can be offset against your income until it is replaced, which could be 5-7 years in the future.

- If you decide to sell the property before you renew the furnishings, by using the 'renewal basis,' you will not have managed to offset any



renewals cost at all against your property.

This means that you will have incurred unnecessary taxes!

However, if you use the '10% wear and tear allowance', you can claim this from the date you purchased the property.

Also, if you have purchased a property that includes furniture and furnishings then, again, it will be beneficial to claim the allowance.

## **5.6. BONUS STRATEGY - How To Avoid Capital Gains Tax!**

The biggest reason for investing in property is to make good gains when we sell. I doubt that anyone who buys property does so just for the sake of owning it.

Our agenda is to make big capital gains!

We know that if you buy a property, live in it as your main residence and then sell, no capital gains tax is due.

What people have started to do over the past few years is, rather than buying a property and renting it out, they buy a property, move into it themselves and let out their existing residence.

This is one of the most tax-efficient ways to invest in property, and shows how a small portfolio, kept over a 15- 20 year period, can produce a very significant (i.e. 1 million) tax free gain.

So, what does that mean?

Let us say that you have brought a property and have lived there for three years; you then let it out for three years and sell it.

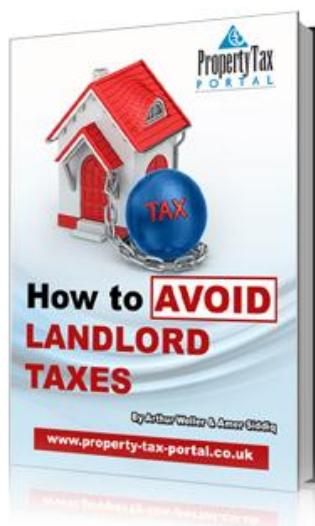
What's your tax bill?

Zero! This is because the duration of your stay in the property is exempt and so are the last three years of ownership. This is a concession given by HMRC. Where a property has previously been a main residence, then the last three years are always exempt from capital gains tax.

There is also another handy tax tip that is available to landlords. If you have lived in a property and let it, you can benefit from a 40,000 tax break. Smart investors are starting to do that now to help grow their portfolio.

When you use this strategy to grow a portfolio, you are looking to make a £1 million gain over 15 – 20 years, for around four to five properties. The tax-free equivalent of that would be to hold about twenty, standard, buy-to-let properties.

For more information on tax saving strategies visit our sister website:  
[www.property-tax-portal.co.uk](http://www.property-tax-portal.co.uk).



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>> [www.property-tax-portal.co.uk/avoid\\_landlord\\_taxes.shtml](http://www.property-tax-portal.co.uk/avoid_landlord_taxes.shtml).

## 6. How to Better Manage Your Tenants

In this strategy, I look at five ways in which to better manage your tenants!

Let's face it – property is a 'people business'. If you are actively investing in property then you will be networking with other property professionals on a regular basis. If not then you should be doing so, as you never know who you will meet and who will be able to help you in your property business.

Now, the most important 'people' in your property business are your tenants. And the reason is that they are the ones who will determine how much cash flow you generate from your properties.

Failure to manage your tenants properly will most likely end up in you losing money. Now with the way rental yields are at the moment, the last thing you want to do is have negative cash flow!

Below are five tips that will make sure that you get the right tenants who are paying full market rent every time!

### 6.1. Get Professional!

As landlords, our worst nightmare is the 'tenant from hell' i.e. one who never pays rent, knows the system and manages to get a rent free stay in your property.

Just as much as we fear the 'tenant from hell', tenants also fear the 'landlord from hell', i.e. one who never addresses property problems, raises rents without notice and is never contactable.

The easiest way to show a tenant that you are not the landlord from hell, is to show them how serious you are about your property business and how well organised you are.

In the first strategy I talked about giving your tenants a Tenant Welcome Pack. There is nothing better to demonstrate to them that you are not the landlord from hell!

I have used the Tenant Welcome Pack in the past to let properties, almost without saying a word.

**REMEMBER:** Providing a Tenant Welcome Pack shows that you have nothing to hide and more importantly shows how serious you take your lettings business. It will therefore also allow you to ask more probing questions and the tenant shouldn't have any issues answering the questions that you pose.

A tenant will always be happy to pay a few pounds extra a month for a professional landlord. Remember, 'you get what you pay for' and your Tenant Welcome Pack will help to make sure you get full, or even above, market rents!

## **6.2. Contact Is Key**

I self manage my properties and I always make a point of saying that I can be contacted 24hours a day. The fact of the matter is that in the nine years of letting property, I can count the number of tenants who have phoned me after 6pm on one hand!

The primary reason for this is detailed in the point below.

Just by saying that you can be contacted at all times gives the tenant peace of mind.

Again, what price would a tenant be prepared to pay for peace of mind? What incentives would you be prepared to give a tenant if you knew they were going to be a long standing and hassle free tenant?

### **6.3. Have The Right Policies In Place!**

The last thing a landlord wants is to be called at an unsociable time to be told that the boiler has broken down, or the heating isn't working or there is no hot water available.

If any of the above things happen then the tenant wants to know that they will be fixed and fixed quickly.

One thing I have done with my portfolio is to make sure that they all have maintenance contracts with British Gas. What this means is that every property is covered for boiler breakdown, central heating failure, electrical problems and even appliance problems.

It is not an expensive service for the value it adds and it gives both the tenant and me peace of mind. All I do when the tenant moves in is to give them the details of what is covered under the maintenance contract and the details of who to contact on the tenant welcome pack.

### **6.4. The Best Way To Get Rents Paid On Time**

Wherever possible try to make sure that the rents are paid by standing order around the time when the tenant gets paid.

By making sure that the rent is due on the day they get paid means that you should never have any issue getting your money. Even if the tenant hits some financial difficulties then there is a greater chance you will continue to get your rent as it is being paid when the tenant gets paid!

Try and avoid collecting rent by visiting the tenant. Sometimes, if the tenant is not available then rents can be delayed and, once this starts, the tenant can easily start thinking that it is OK to delay rents.

## 6.5. How to React to Problems

We all encounter problems in life and your tenants are going to be no different. They may hit financial difficulties or hit personal problems. If and when they do then it is important to listen to them and try to help them how best you can.

Remember, from the outset I said that property is a people business!

Your understanding may be the difference between you continuing to receive rent or getting no rent at all. I always treat each case on an individual basis. The element of help I give to a tenant will depend on how long they have been in a property and how well they have looked after it (and, of course, what their rent payment track history is like!)

If, for example, a tenant has hit financial difficulties within the first 12 months then I will normally look to try and help them to move on to another property. However, if a tenant has been a long standing tenant then I have been known stop raising rents and, in extreme circumstances, to even reduce rent to help them through their financial difficulties.

I know lots of investors would cringe at the thought of dropping rents, but I have always believed in the philosophy of 'what goes around, comes around'. In other words, if you help others then others will help you!

### **Don't be messed around**

Remember: you operate a professional property business and, therefore, you expect the tenant to abide by your rules.

In the previous points we have gone to great lengths to make sure that the tenant won't experience any problems when living in your property.

Therefore, in return you expect the tenants to make sure that your rent is always paid on time, without delay. It is important this is really hammered home before the contracts are signed.

If you start getting a whiff that the tenant is going to cause you problems then look to move the tenant on asap!

## 7. How to Get Above Market Rents

As you well know, your tenants are your golden nuggets. In the current market our biggest worry as a landlord is a tenant defaulting on rents.

But wouldn't it be great if we could motivate tenants to not only pay their rent on time but to also pay above market value as well?

To get the latter I have used one simple technique. I self manage my properties and produce a single sheet of A4, called a Tenant Welcome Pack.

This gives the tenant all the essential information about my property when they move in. It gives them assurances that I am not a landlord from hell and certainly motivates them to pull out the stops to ensure that the rents are paid on time so that they are not forced to move out. Of course, an underlying factor here is that the property is in top notch condition!

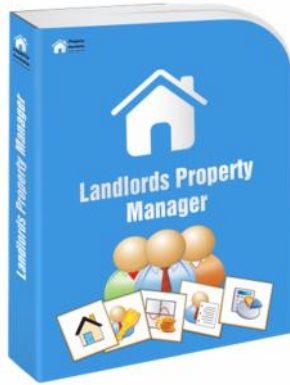
A typical Tenant Welcome Pack would contain the following bits of information:

- **Your details** - how to contact you
- **A list of all the utility suppliers** - e.g. gas, water, electricity etc.
- **A list of certificates and suppliers** - e.g. gas safety, electricity, EPC etc.
- **A list of relevant insurances** e.g. appliance cover, boiler cover etc.
- **Deposit Protection Details**

As I said, I have a Tenant Welcome Pack which I have used to enormous effect to help me to get tenants who will pay top market rent for the property!

## Why?

Well, simply because I am giving them total confidence in me as a landlord and this is what every tenant wants!



Our UK leading landlord software, [Landlords Property Manager](https://www.propertyportfoliosoftware.co.uk), produces a tenant welcome pack for you with the click of a button!

Just producing this for two properties is guaranteed to help boost your Cash Flow!

Visit: [www.propertyportfoliosoftware.co.uk](https://www.propertyportfoliosoftware.co.uk) to learn more.



## 8. The TEN Most Important Questions to Ask...

...before You Purchase Any Landlord/Property Management Software!

### 8.1. Introduction

With the growing number of landlords, numerous services have been brought to the market to help property investors and UK landlords to better manage and grow their portfolio.

One of the essential tools for serious landlords is property management software.

I first started looking for property management software in 2002 as I felt it was the right time to buy something to help me get better organised with my portfolio.

I went through the phase of creating my own spreadsheets when I had just 2-3 properties. They were primarily used to track income and expenditures.

However, with increasing landlord legislation, paperwork and responsibilities, I started to look for a suitable property management software solution that would help me to get better organised and free up my time so I could spend it on the more important things in life, like spending time with my family (oh, and, of course, growing my portfolio)!

I couldn't find any suitable software that gave comprehensive answers to the following 10 questions that I had, so I went about using my software design skills (I have worked as a software designer for over 10 years) and landlord management skills to design my own solutions: [Landlords Property Manager](#).

So, if you are considering buying property management or landlord software, then make sure that you ask all potential suppliers the following 10 questions!

## **8.2. QUESTION 1 - How Long Has the Software Been On the Market?**

This must be the very first question that you ask!

The reason being is that if the software is from a new start-up company then you would have good reason to be sceptical as to whether they will still be trading in a couple of years time.

Because the property market has boomed over the past few years, a number of different landlord software vendors have come to the market but disappeared within a couple of years.

In fact, the first two property management software solutions that I tried are no longer in existence and both disappeared within three years!

Don't forget, you want a solution that is going to grow with you as your portfolio increases, so it is not going to be a tool that you will have for 1-2 years but for maybe 5, 10, 20 or even 30 years!

## **8.3. Question 2 - How Many Sales Have Been Achieved To Date?**

Don't be scared to ask this question.

This will give you a good indicator as to how popular the solution is, whether the company will still be trading in a few years time and how committed they will be to further developing the software in coming years!

Ring round the different property management software suppliers and get a feel for how many units each have sold since they have been established.

Just knowing this figure will tell you a lot about the company.

REMEMBER: The property management software is a very niche market, so if somebody starts telling you they have been selling thousands year on year then I would really question whether they are telling the truth.

#### **8.4. QUESTION 3 - What Kind Of Support Is Provided?**

I often say that the support service that sits behind the product is more important than the product itself, as this service will determine how successful your product is.

Let's face it, at some point you probably will need to contact the software vendor, and this could be because you have hit a technical problem, have a functional query or just have a question to ask about their product/service.

The speed and manner in which your query is dealt with will either make you a fan (and hence make the sale) or put you off totally!

Any serious software vendor really should be making the following options available for you to contact them:

- **Telephone**

Telephone support should be available during office hours i.e. 9am to 5pm. Don't settle for anything less i.e. 9am to 1pm only.

You should be able to communicate by phone with your vendor during normal office hours.

- **Email /Ticketing System**

As a minimum you should be able to send email enquiries 24/7, so that they can be picked up during office hours (or even outside of office hours).

However, the norm nowadays is for the software vendor to have some sort of Help Desk/Ticketing system in place, so all support queries can be fully

tracked and monitored.

We use [ActiDesk](#), one of the best help desk/ticketing systems on the market!

- **Chat**

Again, during office hours, the ability to chat on-line with a user representative is a good tool, so if you are by your computer using the software and have a query you can chat on-line with a suitable experienced customer representative.

Please Note: Charging for support should be totally acceptable, as it will help the vendor to continue to re-invest in the software. Most niche 'business' related software solutions on the market will charge a support fee.

If somebody offers unlimited and endless free support, then they have not understood the software market and no doubt will start to struggle as their customer base grows and the number of support calls increase.

However it is normal to get about 30 days of unlimited (email or telephone) free functional and technical support, so you should expect this as a minimum.

## **8.5. QUESTION 4 - Who Has The Software Been Designed By?**

This really is a 'killer' question to ask and will help you to eliminate a good number of software vendors.

You really need to choose a solution that has been designed by landlords i.e. somebody who day-in-day-out comes across the issues that you are facing on an ongoing basis.

I made the mistake of not asking this question when I tried some solutions only to find that they did not work; quite frankly, I am not surprised these software vendors are no longer in existence.

You can see my [profile](#) here. I also give regular talks at shows on landlord matters, property management and have designed software solutions for FTSE companies.

Because I have spoken at numerous events and am in regular contact with experienced landlords, I have always been keen to get their feedback and suggestions when designing our software solutions.

## **8.6. QUESTION 5 - How Can The Software Be Trialled?**

Some landlords will want to try software before they commit to purchasing it, whilst others will just go along and purchase the software, making sure that the vendor has a sound refund policy.

We used to offer a trial version of our software, where prospective customers could simply enter their name and email address and get a free trial download of our software.

However we found that 90% of those that requested the trial never did trial the software (i.e. as they were not serious about using property management software). We found most serious landlords who wanted property management software would just go ahead and buy the software, and, if they were not happy, would ask for a refund.

So, if somebody does not offer a trial version of the software then do not be too concerned as it is likely that they have a very sound refund policy in place (see below) and there is a legitimate reason why they don't offer a trial version.

## 8.7. QUESTION 7 - What Is The Refund Policy?

It is important that you look in to any refund policy that is made available and definitely read the small print!

I have come across vendors who will offer a money back guarantee, but you then need to jump through hoops and fill in different forms in order to get a refund.

To me, a refund should be done within 24 hours (48 hours max), either by a simple phone call or a simple email - that's it!

There should not be a need for the customer to have to wait any longer or fill in unnecessary forms.

Also, with software such software you need a good amount of time to road test it and I have found that 30 Days is not enough. So that's why we offer a 90 Day no quibble money back guarantee!

## 8.8. QUESTION 7 - Who Is The Software Recommended by?

You need to know who is happy to recommend or suggest the software. The UKs two largest landlords associations are the National landlords Association (NLA) and the Residential Landlords Association (NLA).



I am delighted to say that we are the only property management software provider of RLA. In fact we are their **official property management software partner!**

This means that our [landlords property manager](#) solutions are the only software solutions that they proactively market and advise their members and website visitors to buy.



It also gives me great pleasure to say we are an approved and **recognised supplier** of the National Landlords Association (NLA), the largest landlords' body in the country, now with some 20,000 members.

They have vetted our company and are more than happy to promote our software. We have been profiled in their UK Landlord magazine a number of times.

We are also the recommended landlord software supplier for some of the largest property education companies in the UK (details available upon request).

To see what other industry experts say about our software solutions go here:

>> [/www.propertyportfoliosoftware.co.uk/what\\_experts\\_say.html](http://www.propertyportfoliosoftware.co.uk/what_experts_say.html)

More importantly to see what our customers say about our software solutions go here:

>> [http://www.propertyportfoliosoftware.co.uk/success\\_stories.html](http://www.propertyportfoliosoftware.co.uk/success_stories.html)

## 8.9. QUESTION 8 - How Often Is The Software Updated?

Software can not stand still! It must be fixed and further developed on a regular basis.

Every software vendor **must** have the technology where the software can automatically update itself with fixes, just like Microsoft Windows does.

What this means is that if a fix is released then when the user starts the software it is automatically detected, downloaded and the software updated.

You also want to see signs that the software is being **regularly updated**, with more functionality/features being added on a regular basis. I would suggest that each software vendor should implement one major functional upgrade each year as a minimum.

We commit to at least one major functional upgrade each year (but normally two), and one or two minor functional upgrades each year.

The only enhancements that go in to our software are those that are requested by our users.

You don't want to be waiting 2-3 years before a major functional upgrade is released. Ask when the last major functional upgrade was done.

We make all our fixes and functional update releases totally transparent via our [release notes](#) page.

## **8.10. QUESTION 9 - How Many Licences Do I Get with the Software?**

We now live in a time where it is quite normal for people to have two computers: a desktop and a laptop.

If I was to buy property management software, then I would expect to be able to install it on both computers for my personal use and not to have to pay anything extra. Also, if my computer was to become faulty and I had to buy another one, then again I would expect to be able to install the software on this third machine without the need to buy the software again.

For this reason we allow our software to be installed on up to three personal computers. However, if you are one of the unlucky ones who need it on a fourth personal computer because another one has failed, then you just need to contact us and we will arrange this for you as well.



Software vendors do need to protect themselves from their software being illegally distributed and licensed.

However, as a customer you don't want to be restricted to just a single licence, and we have found that issuing three licences as default satisfies 99% of customers' needs.

### **8.11. QUESTION 10 - How Do We Meet You?**

When you buy any property management software, the chances are that you will be using it for a number for years.

Therefore, at some point you will also want to know that your vendor is proactive in the market and, if you want, you can pop along and meet the team at an event rather than being told that you have to go to their offices.

I personally speak at a number of landlord/property investment related events so meeting me is never really an issue. However, we also exhibit our software at various landlord/property management events/shows and you can see a list of the [forthcoming events](#) we will be exhibiting at by clicking the link.

When I see suppliers exhibiting, it gives me confidence to see that they are working pro-actively to grow their brand and believe strongly in what they are doing.

By exhibiting at events, you also get some really good feedback on your product there and then!

### **8.12. BONUS QUESTION - Why Do Customers Buy Your Software?**

OK, I know that at the outset I said '10 Questions', but this is probably the most important one!

This is a brilliant question to ask, and I liken it to the question we always dread getting in a job interview 'so why should I give you the job?'

If the property management software vendor understands their target market and have researched their customer and prospects they will be able to give you a reassuring answer that will demonstrate that they are a serious player in the market and know what landlords want.

Whenever we get asked the question we respond as follows:

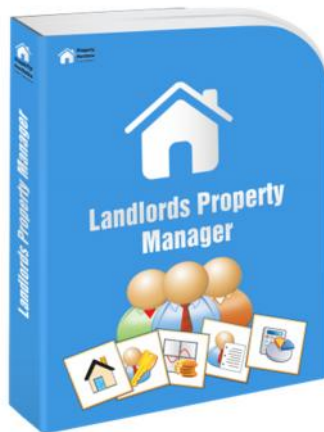
The top seven reasons why landlords choose our property management software:

- To get better organised
- Tackles all major challenges faced by landlords
- Designed by landlords for landlords
- Only solution to calculate rental income taxes (no need to integrate into 3<sup>rd</sup> party accounting software)
- Reduces accountancy, legal and letting agency fees
- Easy to use software
- Unrivalled support service

## 9. The UK's Number ONE Property Management Software

When I began investing in property, I naturally looked around for a software solution to help me with the laborious task of property management. I quickly realised that there was nothing suitable available and so I designed my own tool based on my personal experiences and needs.

My aim was to design a solution to overcome the five biggest property management challenges faced by landlords with growing portfolios.



**Landlords Property Manager** is the result - the No.1 solution on the market.

### **DOUBLE Award Winning Software**

At the November 2010 and 2011 'Landlord and Letting' awards we won the 'software' award and in 2012 also won the 'customer service' award.



Quite an achievement given the huge number of nominations that were put forward for both categories.

### Features include:

**Property Manager** - Fast management and full control of all property management tasks. Accurately track all property related income and expenditures.

**Early Warning System** - Generates reminders and notifies you of outstanding rental or loan payments

**Tenant Manager** - Manage your tenants, track your rental income and produce your legal documents. You can also upload and store your own documents within the software itself, helping you keep organised.

**Finance Manager** - Central control of all your mortgages and property related loans.

**Income Tax Calculator** - The only solution on the market that also calculates your rental income tax.

**Report Manager** - Over 15 one-touch property management reports to help you analyse your portfolio, including Profit and Loss, Cash Flow Analysis and Portfolio Income Assessment.

**Support Manager** - A wealth of support resources to keep you running night and day. Gives you one click access to support resources from within the software.

**That's it – The end of this FREE Report. To learn more visit our website below!**

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To learn more about our powerful and easy to use property management software for landlords, visit:



[www.propertyportfoliosoftware.co.uk](http://www.propertyportfoliosoftware.co.uk)