Qandor.® MAGAZINE

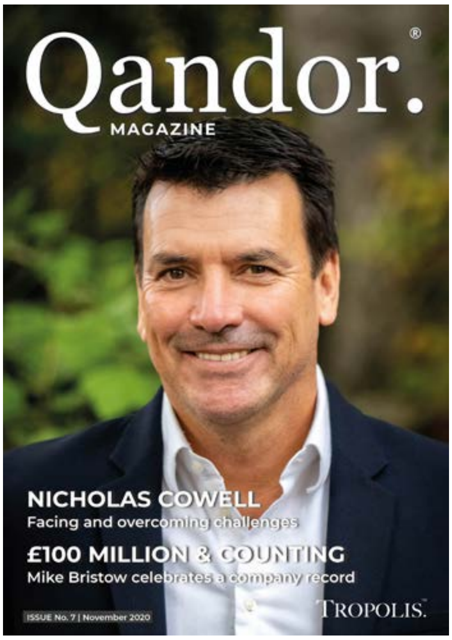
NICHOLAS COWELL
Facing and overcoming challenges

£100 MILLION & COUNTING
Mike Bristow celebrates a company record

TROPOLIS.™

ISSUE No. 7 | November 2020

IN THIS ISSUE



Cover image featuring **Nicholas Cowell**, Founding Director of one of the UK's leading property investment and development companies, Cowell Group (p.52).
For more information visit **cowellgroup.net**

ISSUE NO.7

THE NEW SPACE RACE

This year, we've witnessed some incredible ebbs and flows when it comes to the property market. The government's stamp duty holiday and a lockdown scramble for larger dwellings has created somewhat of a 'perfect storm', with some pundits predicting a 7% rise in average UK house prices in 2020. Property firm Savills recently shone a light on the increase in sales of properties costing more than £1m, identifying The Cotswolds as the hottest postcode with a 94% increase in deals since the beginning of June. South Oxfordshire was second, up 78%, followed by Dorset at 69%.

Along with a growing demand for space, the club's architects and interior designers strongly believe a shift in mindset is beginning to take place when it comes to how the home's main function will be perceived in the near future. From larger home offices, gyms, outside spaces and kitchen-living areas to a growing popularity of on-property secondary accommodation for extended family, it's no surprise really that a few hundred extra square feet are in hot demand!

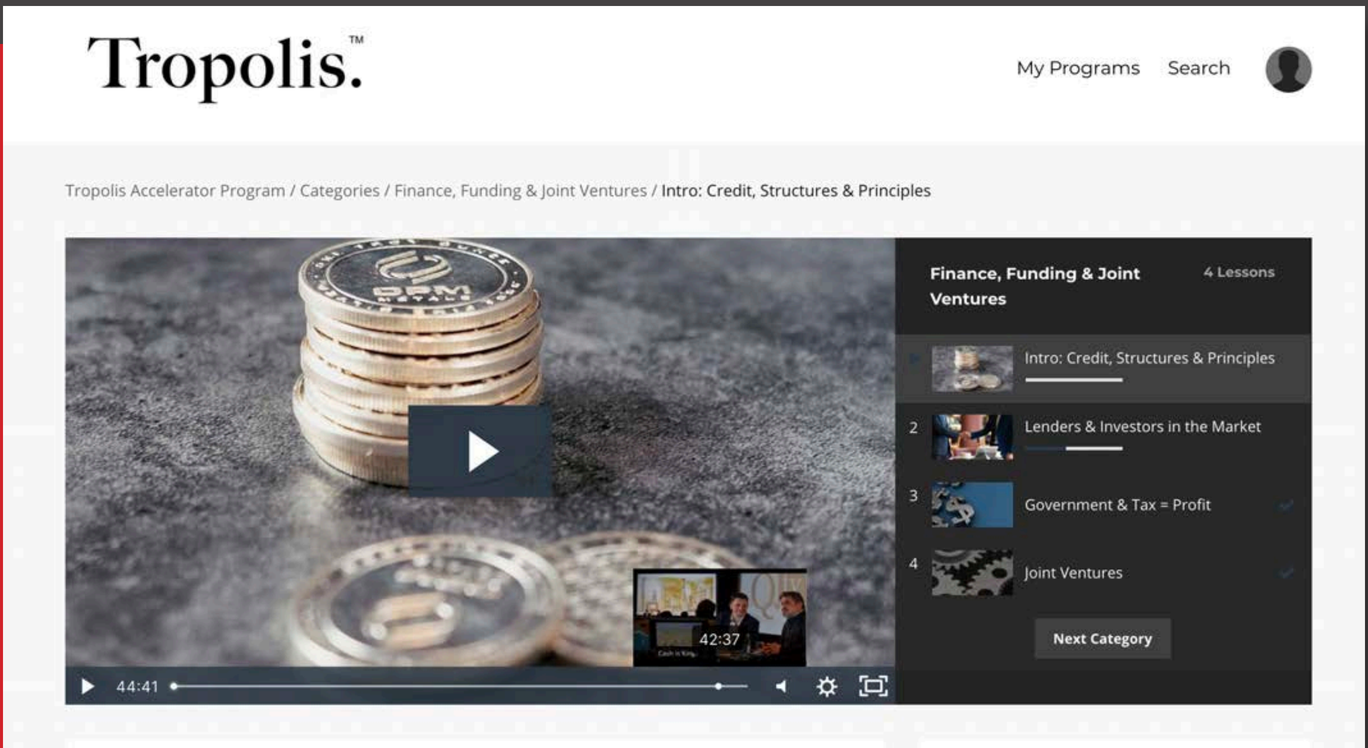
I am particularly looking forward to next month's Q. Online members-only meeting, where three interior designers, Linda Rosen, Matteo Bianchi and Christian Turnier will be taking us through a series of case studies on changing home environments and latest 'post-Covid' trends. In the meantime, catch Christian's article on effective property staging (p.36) where he showcases a project of his recently completed in Manhattan, New York.

This month, we're delighted to have Founding Director of Cowell Group, Nicholas Cowell, on our cover. Nick has penned a brutally honest but optimistic advice column and shared a fascinating case study on a two-year London refurb (p.52).

Matt Siddell
Founder



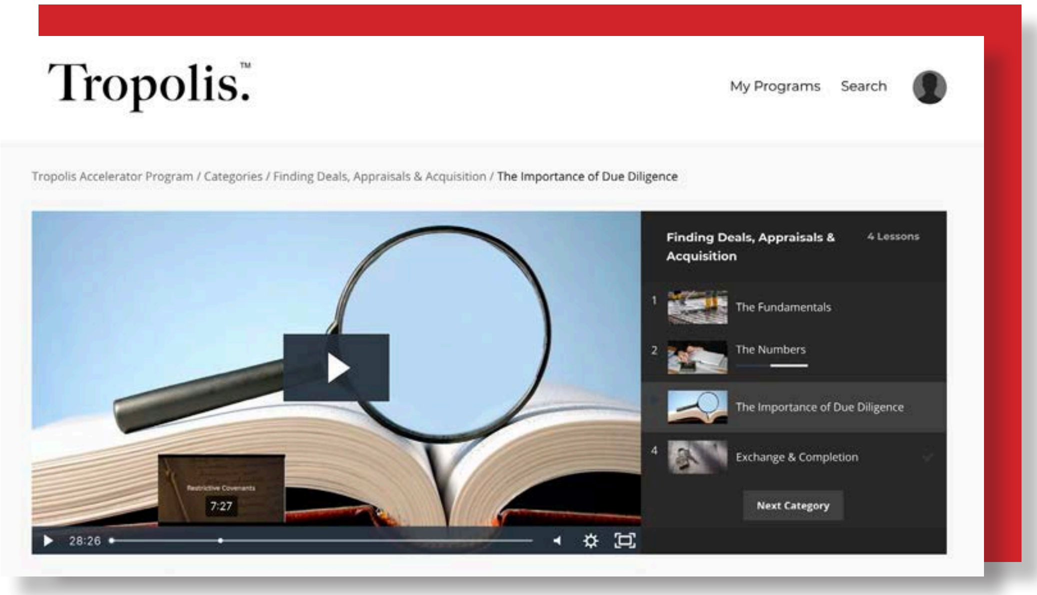
THE TROPOLIS ACCELERATOR PROGRAM.

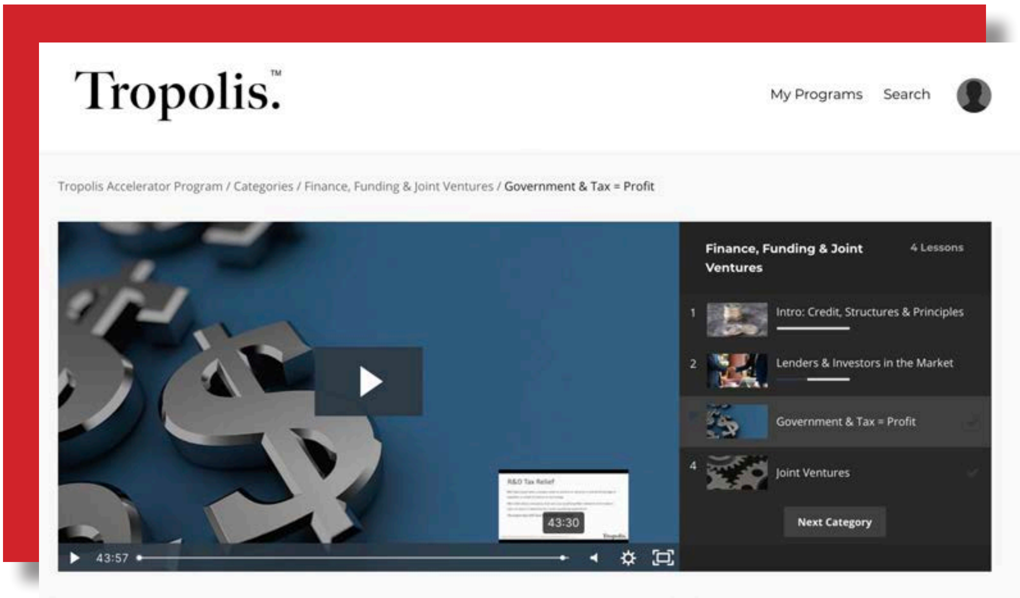


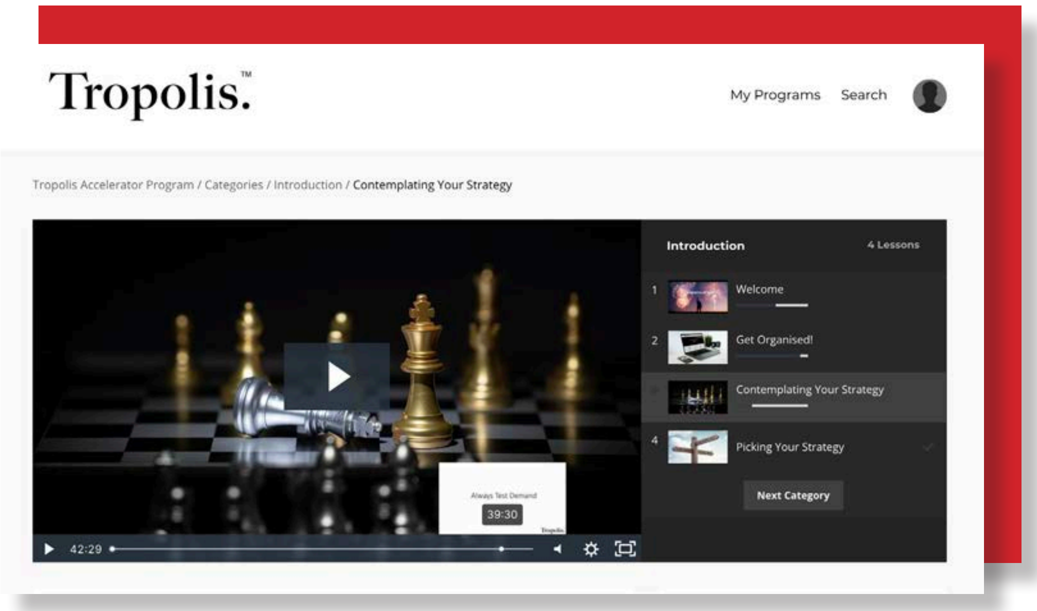
The Tropolis Accelerator Program, developed by Qandor's sister company Tropolis, covers a huge variety of property strategies including self-build, land buying, development, refurbishment, auctions and flips.

The program gives clients a deep understanding of many aspects of property investing including sourcing deals, legals, funding, refurbishment, property and tenant management, and how to find and work successfully with the right people.

MORE INFORMATION


Tropolis.™
My Programs
Search
Tropolis Accelerator Program / Categories / Finding Deals, Appraisals & Acquisition / The Importance of Due Diligence
Finding Deals, Appraisals & Acquisition
4 Lessons
1 The Fundamentals
2 The Numbers
The Importance of Due Diligence
4 Exchange & Completion
Next Category
Restrictive Covenants
7:27
28:26


Tropolis.™
My Programs
Search
Tropolis Accelerator Program / Categories / Finance, Funding & Joint Ventures / Government & Tax = Profit
Finance, Funding & Joint Ventures
4 Lessons
1 Intro: Credit, Structures & Principles
2 Lenders & Investors in the Market
Government & Tax = Profit
4 Joint Ventures
Next Category
R&D Tax Relief
43:30
43:57


Tropolis.™
My Programs
Search
Tropolis Accelerator Program / Categories / Introduction / Contemplating Your Strategy
Introduction
4 Lessons
1 Welcome
2 Get Organised!
Contemplating Your Strategy
4 Picking Your Strategy
Next Category
Always Test Demand
39:30
42:29

Experts & Masterclasses

Our network is extensive and extremely valuable and we've assembled a panel of experts to give masterclasses at live events exclusively for Tropolis.

These masterclasses give exclusive access to significant amounts of experience, expertise and property insight.

If you want to learn the secrets of successful developers or find out how to get the best out of your architect or builder by being taught by one, the Tropolis masterclasses are definitely for you.

The Tropolis panel of experts is comprised of more than 25 specialists with a Masterclass each.

550+
Combined years of business experience

5000+
Homes and properties developed

£1.5bn
Value of property developed

MORE INFORMATION

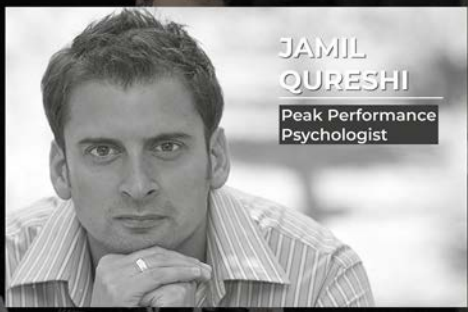
The Tropolis Experts Panel


EVAN
MAINDONALD
Developer & Founder
Melt Property
MELT PROPERTY


LEE LANGLEY
Principal
OnPoint Mortgages
OnPoint MORTGAGES


NAMAN
PATHAK
Developer & Founder
Mountbatten Homes


PAUL
OBERSCHNEIDER
Founder
Hilltop Credit Partners
HT
HILLTOP CREDIT PARTNERS


JAMIL
QURESHI
Peak Performance
Psychologist


MIKE
BRISTOW
Founder
CrowdProperty
CROWDPROPERTY


NEIL
SCROXTON
Managing Director
Matchbox Architects
mba


PETER HUF
Architect & Founder
Peter Huf Architecture
PETER HUF
ARCHITECTURE


SIMON
MERRY
Founder & Director
Berthold Bauer
BERTHOLD BAUER


JONATHAN
ERDMAN
Consultant Solicitor
Keystone Law
KEYSTONE LAW


MIKE
FRISBY
Founder
Brankin Developments


OLIVER
LOWRIE
Director
Ackroyd Lowrie
Ackroyd Lowrie


TINA
PATEL
Architect & Founder
Formed Architects
FORMED
ARCHITECTS

BEING OUT IS IN – THE NEW NORMAL.

PAUL OBERSCHNEIDER
Founder
Hilltop Credit Partners

www.hilltopcreditpartners.com

HILLTOP CREDIT PARTNERS

As I write this, the country appears to be in mass confusion over Coronavirus – curfews, local lockdowns, the rule of 6, work, don't work, etc. Regardless of your personal opinion about the virus and how the country has handled it, it has wreaked havoc on the economy and on society and it's likely it's going to be with us for some time to come. The overall consequences come at a high price.

As far as the residential property market goes, one thing that does seem certain is that 'out is in'. The media has been awash with reports about the race for space, as working from home asserts itself and the prospect of commuting further becomes less sour provided it's swallowed less often. I myself find commuting a necessary evil I'd rather do without, and working from home many days has greatly improved my "work-life-balance" as they say.

That phenomenon paradigm shift has hit the residential sales market first, but in recent weeks, it seems that it has permeated into rentals too, with reports of city rental rates taking a battering from the double whammy of émigrés and the absence of overseas students for the new academic year. Meanwhile, out-of-town rentals continue to rise.

But then over the weekend I read a report about how, in spite of everything, it's been a busy summer in the UK staycation sector, largely due to overseas travel restrictions leading to Brits looking for a break closer to home.

The Guild of Property Professionals report detailed that currently around 1 in 25 households owns a 2nd home in the UK. That's a lot of 2nd homes – 1 million, give or

take. The same research suggests that large numbers of those polled (up to 45% in the case of 35-44 year olds) are considering purchasing a 2nd home, which makes the sustained post-Covid surge in property prices experienced in 10 of the 12 regions even easier to understand – and this during the holiday season that typically dampens market performance.

Clearly, out is in.

I see two elements at play here. Not only does the 2nd home provide people with refuge from the city, it also looks like an increasingly sound investment from a buy-to-let perspective. And with the purchase costs on 2nd properties currently equating to around half what it was pre the recently announced SDLT holiday, if you can afford it, it seems that now is the time to buy.

All that said, over the coming months demand looks set to soar in local housing markets. On Hilltop's blog, I've commented on the likely implications for supply and pricing in these new property 'hotspots' and the role specialist property development finance must play to help developers step up to the plate. The focus needs to be on future-proof, high-quality housing that is within the reach of those needing to get onto the ladder, and SME developers with proven footprints and strong local connections are set to play an even more important role in housing provision. What will continue to matter is homes that are built better, have more flexibility, and play into the work-life balance thematic.

I'm pleased to say that at Hilltop we are seeing an increasing number of attractive developments by reputable sponsors landing on our desks. In light of recent market data and our own analytics, we are more confident than ever that projects 'in the regions' represent compelling propositions to fund. Q.

HOW TO PREPARE FOR A MORTGAGE APPLICATION IN COVID TIMES.

LEE LANGLEY
Principal
OnPoint Mortgages

www.onpointmortgages.com

One feature of the mortgage market at the moment is the speed of the application process. Many lenders have experienced falling service levels due to any combination of the post lockdown property boom and increased demand caused by the stamp duty holiday, remote working, furloughed staff, August holidays, resources being diverted to manage mortgage payment holidays and increasing due diligence.

We have seen one high street lender fall 19 days behind in assessing new cases while one client was told it would take 5 weeks to book in an appointment with his existing provider. Not all lenders are struggling to this extent, but turnaround times should be factored into the advice when selecting a product, especially when a time sensitive purchase is involved.

When lenders are slower than usual it is important to get your admin in order and present your application in a professional manner to avoid further delays. Documents and information to prepare upfront would include.

Income proofs

If you are employed, collate your last 3 months' payslips and latest P60. For the self-employed, it would be your last 2 years personal SA302 tax calculations and corresponding tax year overviews in addition to your last 2 years of accounts.

Note lenders look for the personal tax return to be dated within the last 18 months, so October 2020 is generally the cut off point for acceptance of your April 2019 tax return and you will need your April 2020 document moving forward.

Credit report

Prior to an application, obtain a copy of your credit report from Experian, Equifax or Credit Karma, especially if you took out a mortgage payment holiday. Make sure that your payments have been registered correctly during the last few months as errors can happen and they could have a big impact on your lending options.

Enhanced due diligence

Lenders have been asking additional questions around how you have coped during the pandemic and the sustainability of your income. Provide an overview to your broker of how your business or earnings have been affected, confirming whether you took a mortgage payment holiday, were furloughed, took the self-employed grant, or obtained a bounce back loan and your situation moving forward. Some providers are now asking for your last 3 months business bank statements as standard.

Manage expectations

Banks are looking to lend but, knowing the above, make sure your vendors are aware of the service times for your chosen lender. Valuations may take longer to book in, especially with the potential for further lockdowns. If you are refinancing to raise funds for a refurbishment or the deposit on a new purchase, make sure you arrange this in good time, so the monies are available ahead of schedule. When speed is of the essence, you might want to consider a faster bridge loan as an initial alternative to a term mortgage.

Your home may be repossessed if you do not keep up repayments on your mortgage. Some forms of Bridging Finance and Commercial Lending advice are not regulated by the Financial Conduct Authority. Q.

THE STRAINED RELATIONSHIP BETWEEN CONTRACTOR AND DEVELOPER IN COVID-19 TIMES.

GRAZINA THOMPSON
Investor & partner
Dapatchi Group

www.dapatchi.com

The current times are very strange and the pressure that many parties in the property industry are under is both wide and varied. Being a co-owner of both the Construction and the Development sides of our business, I have the benefit of knowing the true challenges that businesses face during these unprecedented times.

Like the conductor of an orchestra, the Developer is trying to manage all the parties in order to achieve a unified end result. A time delay or cost increase can threaten the coherence of this exercise. The Contractor is under a contractual obligation to deliver the project on time and on budget. The normal running of both these parts of a development have been severely affected in recent times. Whilst the contractual position on such delays and cost overruns is another topic

in itself, the difficulties that the contractors are facing should be born in mind by the developers too. The key current challenges are the increase in costs and the lack of and/or delays in sourcing materials and labour.

The general practice is that the contractors will usually pay their supplier for goods and materials 30 or 60 days after delivery. The payment from the client or developer would usually come in once these goods are installed or materials delivered and used. So good payment terms with suppliers help the contractor's cash flow. In the last few months, that has been turned on its head. Suppliers had been demanding large deposits and upfront payments, or they are potentially leaving the contractor facing months of delays, which probably incur hefty financial penalties from the developer, either option putting an unwanted strain on the contractor's cash flow position.

The shortage of materials, like plaster and glass, has also caused delays and increases costs. This is due to the fact that manufacturers are having the same sorts of problems themselves. Some materials are difficult to manufacture in accordance with social distancing. Take glass, which most of the time requires two people being side by side to manufacture it. If it's something bespoke, it can now take months as opposed to weeks.

The contractors are then having to put up with any increase in prices and costs in order to salvage a bad situation. For example, there is a real shortage of tilers in certain areas at the moment and if we find any, we have to pay £35 per meter of tiled area, as opposed to the £20 per hour we were previously paying. Tilers can tile around 3-4 square meters an hour, so the current cost is around £105-140 an hour as opposed to £20, and that's just one example.

In summary, the relationship between a contractor and developer can be strenuous at the best times, but in the current market, there can be even more hurdles. What is important to remember is not to just to look at your own position, but the position of others. It is useful to see the current challenges not as contractual problems, but as an opportunity for partnering solutions. Those partnerships that are treated with mutual respect and understanding are the ones that are going to produce results in the long run. Q.

THE DEVELOPER'S ROUTE TO RUIN.

TINA PATEL
Co-founder
Formed Architects

www.formedarchitects.com

FORMED ARCHITECTS

In what has been a particularly strange year, we are now starting to see the impact in the early stages of development in the way developers are looking to make decisions on their consultants.
It seems the route to ruin is being taken – drive the costs down by crunching the consultants. It all sounds like a great idea until the real impact of the consequence of this is considered.

Having seen how the 2008 crash impacted the industry, we are all too wary of this and have considered our position and hold firm that this is not a sensible route for development. Architects being replaced for cad technicians can lead to frankly substandard schemes coming to market that struggle to sell where the market place has so much competition and, in the age of Instagram, the consumer is that bit more savvy about what they want and the type of space they want to live in.

Unfortunately, the consequences of these decisions are not known until schemes come to market and asking prices are not being met or surveyors' valuations are well below expectations, which means that the deal does not stack up in quite the same way that it did on paper two years prior when the appraisals on the site were being considered.

So why do we too often see this happen?

1. Site appraisals not being based on real costs, with an allowance for time and fluctuations in the market for when the build will take place (this is pertinent in a market place where there is so much uncertainty as is the case now). Partly driven by the want and need to make a deal stack and get things moving, and the desire at this stage to cut costs for fear of loosing the deal, smaller developers don't get the deals costed by quantity surveyors at this stage, which all too often only means that they are starting from the wrong base at the outset. Doing this means that the costs allowed for consultants is woefully under market values, so you start by crunching the architects and design team.
2. Unfortunately, in a marketplace where there is a need to keep teams employed, consultants cutting fees is never the answer – the race to the bottom is never a good place to be; teams stop being engaged (ever been in a place where redundancies are feared? It never helps to motivate the best results) and don't provide the attention required. The value of good design should never be underestimated; the true cost in relation to this is not known until the scheme is executed but the cost saving exercise is undertaken at the outset. So if you are a small developer, ask yourself can you afford to not sell the development at the end and if you can't, can you afford to give yourself the opportunity to get it right at the initial stages?
3. Since the costs apportioned to the design stage are low, a technician or ➳

cad team is engaged, which in principle is fine, until you consider the risks of doing this. Do they have the required insurances that the banks will require at the next stage? Are they able to offer collateral warranties suitable for the funders? Increasingly, this is becoming more and more common even for smaller conversions and yet decisions are not being considered with the full spectrum understood such that the mistakes are made in a bid to save costs at the initial stage which only cost more money through the process. And that is before you consider the lack of creative thought and design that this route often entails. The result of this is that, far too often, we end up rescuing projects where a cad team has been engaged, been unable to deliver and a solution is then needed to get a scheme through planning/maximise value after planning is achieved – we'd love to avoid rescuing projects and working with developers from the outset but since the costs are being crunched at the outset, this ends up costing more in the long term when they come to us to make it work.

4. Beyond this, far too often at the SME developer end of the market, once planning has been achieved and building regulations drawings prepared, full tender packages are seldom produced; yet having this goes a long way to certainty on the costs of the build, with an allowance of some contingency for the unknown. All the other decisions are made – this means that the contractor has less wiggle room for extras as everything is listed in so far as possible and this in turn lets both you and the lenders have some sense of where the build cost will end up as the time has been spent to finalise these at the beginning.
5. The other consultant that is often cut out at the smaller end of the market is the project manager and so all too often SME developers are doing quality control, project management and programming themselves with little experience and as an observer, doing

themselves and the project a disservice, reinventing processes in vain thinking it will save time and money, neither of which it does, and thus costing more money in the long run.

So where do these commonly observed cost cutting mistakes leave the small developer in the end, with schemes that can't get funding, schemes that aren't able to sell and ultimately developers holding onto assets that are not making them the money that they were expecting them to at the outset? The takeaway is that this could all be so avoidable if developers just take stock and work with the right teams to avoid the route to ruin.

As a parting point, it is black history month at the time this is written, and in the wake of the BLM protests coming to prominence in the last few months, ask yourself how you can help to eradicate racism in an industry that is predominantly white if you really want to make a difference. Many will say this is not the right audience or platform to discuss this – perhaps not, but as we are repeatedly hearing so often, the struggles of people of colour in the industry are not known by those that do not have the lived experiences of all too often being the only person of colour in a room that is largely white – if you're a woman, it's another barrier to overcome. We are resilient, work hard and are seldom viewed on an equal footing.

The underlying rhetoric against Eastern European building teams and the negative way that are referred to and all too often treated is something that we can all call out and put an end to. Ask yourself who you are buying services from and the diversity of your project team. We can all support change in silent ways. It is something that I know our team believes in and we would encourage others to be aware of the impact of buying decisions and how these can advocate real change.

Call it out when you see it and drive the change if you believe in it. Collectively, we can make a difference. Q.

INTERIOR DESIGN STYLES TO TRANSFORM YOUR PROPERTY.

BENJAMIN HALL
Managing Director
LOFT Interiors

www.loft.co.uk

LOFT

The average person in Britain spends around 22 hours indoors, equal to 90% of their day. As so much time is spent inside, it's important to create a space that has a positive, uplifting effect on mental well-being by utilising different Interior Design styles. This has never been more apparent than in current times as the Covid-19 outbreak resulted in the entire world going into lockdown, leaving many of us feeling alone and isolated.

People are becoming increasingly aware of how important it is to look after their mental well-being. Statistics from the mental health charity Mind state that as many as 1 in 6 people report a common mental health problem — such as anxiety and depression — in any given week.

Feeling comfortable in your surroundings is important in tackling issues such as these. The positive effects of a well-designed space can boost a person's self-esteem and provide a place to unwind, relax and socialise. At LOFT, we specialise in designing spaces with mental health in mind.

Not only that, we put a strong focus on the core elements that impact well-being within Interior Design. Long term trends such as ethically sourcing products and making sure to be as environmentally friendly as possible are continuing to grow in popularity. Where possible, we fashion our different Interior Design styles around these ideals.

Here are the latest trends we believe have the most positive effects in the world of Interior Design.

Biophilic Interior Design

Biophilic Interior Design is all about bringing elements of nature into built environments. It works on the principle that we evolved as a species in natural settings for millions of years, and that we're not as well-adapted to urban and industrial environments as we may think.

In any setting, biophilia works to relieve stress and tension. A report on Human Spaces declared biophilic interior design "can help us to mentally recover and provide respite from our day-to-day activities, to maintain positive well-being (pg.7)."

When designing a biophilic space, we use plants, natural materials (such as woods and stones) and colour patterns (for example, greens and blues to reflect plant life and the sea & sky), and introduce as much natural light as possible. These factors create a calming environment that actively reduces stress levels and reflects positively on both our mental and physical well-being.

Being in such environment has also been proven to significantly boost productivity levels. Simply adding more plants to a workspace can increase production by 15% according to the University of Exeter. For anyone who works from home, this can

provide you with a much better working environment.

Biophilic pieces are also very environmentally friendly, as natural materials like wood, bamboo and bark can be recycled, and plant life is biodegradable. This ensures the least amount of damage is done to the planet when the time comes to change your Interior Design style in line with evolving trends.

Modern Heritage

Neutral colour palettes and textures are used as part of Modern Heritage Design to add warmth and depth to rooms. Off-whites, tinted greys, earthy ochres and tactile beiges have come from the background to the forefront. This gives these spaces a more homely feel that you can relax and unwind in, mixing heritage colours with modern styling.

When we design a space around the Modern Heritage trend, we pay close attention to materials and textures. We use warm metals such as copper and brass and, turning towards woods, we feature products that have real depth and rustic charm to them, like oak and walnut. Where we can, we use sustainable woods to prevent damage to the ecosystem and wildlife.

There's a lot to be said about using terracotta colours in Modern Heritage as well. It's a natural, stony shade that blends well in a variety of settings thanks to its earthy look and feel, and can even be used with botanical features in biophilic designs to boost mental well-being.

Natural Scandinavian

Natural Scandinavian is a different Interior Design style that focuses on the modern-rustic appeal of Scandinavian Hygge (being content and cosy).

The Natural Scandinavian look is about fashioning spaces that create a sense of balance and homeliness. These areas are uncluttered and minimalistic to give you a place to switch off and be undistracted by bold colours and loud features.

When our design team looks to furnish an area in the Natural Scandinavian style, we focus on simple luxuries. The idea that our homes are meant to be private sanctuaries will be stronger than ever following this turbulent year. Materials such as natural woods, recycled textiles, soft fabrics and terracotta earthenware help create a sense of warm minimalism.

In the hustle-and-bustle of our everyday lives, it's good to have an area to unwind in. By focusing on the warmth aspect of Hygge, Natural Scandinavian creates a vibe that evokes a sense of real inner peace.

Art House

The Art House trend is about fashioning a space full of big and bold ideas. It's eye-catching and expresses individuality through grandiose concepts.

LOFT puts Art House styles together by looking at bold, eclectic colours and textures. Art deco furniture is a must for this style trend, as the right tables, chairs, cabinets and sideboards can add a touch of modern glamour to any space.

Think luxurious colour palettes. Deep purples and dark blues on textures such as velvet and silk will capture your attention with their dynamic look and feel.

Bold Geometry

For those interested in different Interior Design styles that have an edge to them, bold colour schemes and the clean-cut lines of modernism will also have a stronghold within the Interior Design world.

A strong emphasis on geometric shapes and patterns create a striking, contemporary look. In essence, Bold Geometry blends industry with craft to fashion a new, exciting vibe. Furniture designs will take inspiration from the modular and multifunctional systems designed in the 1930s and 60s but with a modern slant. ➳

With an updated take on the Art Deco movement comes the concept of Neo-Deco, combining angular geometrics, cut-outs and patterns with tropical Miami pastels alongside the traditional black and gold colour palette. This creates a cool and stylish backdrop to unwind in.

Do you have a favourite style?

The purpose of looking into different Interior Design styles is to find a trend you will love for years. You need to know that no matter what's going on in your daily life, there's a sanctuary where you can relax, switch your mind off and enjoy some "me time".

According to Rightmove's most recent Happy at Home survey, the North West's biggest cities are some of the least happy in the country because they don't like where they live. Out of 194 places across the UK, Manchester ranked 159 and Liverpool came in at 172. These numbers are a poor reflection on our regional well-being and we want to help improve these statistics by fashioning quality interiors.

The trends in this article are what we feel are best suited to improving mental health and life quality, but it's hard to say what's best for your specific property without knowing more about it.

If you've been inspired by the different Interior Design styles we've mentioned and want to know more about how we can spruce up your property, get in touch with a member of our design team for honest, professional advice. Q.

HAS COVID CHANGED THE WAY WE USE CONTENT TO SELL PROPERTY?

CHARLIE FIREBRACE
Sales Director
Wonderhatch

www.wonderhatch.co.uk

2020 has been the year that has changed almost every facet of our daily lives. Many of us are working from home, travel plans have been abandoned for the foreseeable future and transactions ranging from retail to commercial to educational have moved from in-real-life events to digital spaces. The property sector is no different.

Over the past few years, the process of marketing and selling property has had an ever-increasing presence online. We have observed a steady development in how technology is used to sell and rent properties around the world. From simple walk throughs, at the lower end of the scale, to masterful 3D-rendered fly throughs and emotive lifestyle shots that sell a new way of living to potential buyers, film has been the driving aspect of that trend. Covid did not instigate this online shift but it has, without a doubt, been the catalyst for its acceleration.

Since Covid has imposed expansive travel restrictions, overseas investors can no

longer make viewings in person, so without film providing the necessary insights into the property and the destination, it's possible that properties just won't sell. In cities like London, which draws interest from around the globe and where developments heavily target an international audience, being able to reach potential buyers is imperative to the success of the project.

The UK has historically been regarded as a safe haven to invest money in property, particularly to the Asian market. Despite the fact that both CRBE and RICS report that the housing market is showing signs of a bounce back with an increase in buyer interest, agreed sales and house prices, Knight Frank notes that areas of prime London real estate such as Mayfair and Knightsbridge, which are hugely popular with international buyers, remain subdued due to Covid-19 travel restrictions.

Lockdown has forced companies and individuals to re-evaluate their property requirements; with a captive audience, Ofcom finds that internet usage has surged during lockdown with adults spending more ➳

than one quarter of their waking day online; frustrated buyers have been forced to rely on information available through property marketing channels. Innovative property marketeers have embraced the situation as an opportunity and have invested heavily in film assets to help differentiate from the competition. It is well known that film provokes greater engagement and posting videos on social media generates 1200% more shares than photos and blog posts combined; and it better enables developers
remain subdued due to Covid-19 travel restrictions.

Lockdown has forced companies and individuals to re-evaluate their property requirements; with a captive audience, Ofcom finds that internet usage has surged during lockdown with adults spending more than one quarter of their waking day online; frustrated buyers have been forced to rely on information available through property marketing channels. Innovative property marketeers have embraced the situation as an opportunity and have invested heavily in film assets to help differentiate from the competition. It is well known that film provokes greater engagement and posting videos on social media generates 1,200% more shares than photos and blog posts combined; and it better enables developers to reach their target demographic, enabling improved response and ultimately sales.

Whether a potential investor is in Hong Kong, Hanoi or Hatfield, film assets can be utilised to take the development or property to the purchaser. Even without the travel barrier, the number of UK purchasers in

“As the prestige of an address can influence an overseas investor, it is the rise of the lifestyle and destination films that are really helping to get transactions over the line for both UK and foreign investors.”

marketing suites are down. Over lockdown, Zoopla reported that nearly 400,000 home sales had been put on hold when social distancing rules came into place, making viewing and valuations impossible. This necessitated a rapid change in approach. Sales agents took out their smart phones, providing narrated fly-throughs to a new audience. With new guidelines that encourage everyone to work from home where they can, it puts significantly more uncertainty on future viewings. This uncertainty makes video content an essential tool for developers and sellers to prevent a return to lockdown sales figures.

Film is not just a replacement for feet through the door. There is a fundamental difference between many international investors and those in the UK: Asian markets will almost exclusively purchase property off-plan, largely because they have a very different relationship with property, many of whom never even set foot in their investment - whereas UK investors tend to buy more on completion. What does this mean for content?

Artist impressions and CGI can do a job, but increasingly sophisticated investors are demanding a more sophisticated approach to marketing. As the prestige of an address can influence an overseas investor, it is the rise of the lifestyle and destination films that are really helping to get transactions over the line for both UK and foreign investors. In light of this, developers are beginning to recognise the value of quality content in having a direct correlation to sales and investor engagement.

In addition to lifestyle and destination films, there is a growing trend to portray the provenance and history of some of the prime London developments. The content gives the investor a unique insight into the level of detail and quality a developer might have gone to in order to replicate traditional craftsmanship or architecture. Whilst being highly engaging, this educational content can demonstrate the how, what and why of a site, and can go some way to justifying a hefty asking price and competitive edge.

There is little doubt that film content has revolutionised how we view and engage with property over the past decade; at the top of the funnel, it can drive page views to your site with links with embedded film enjoying a massive 157% greater engagement than those without. Moving towards the bottom of the funnel, a compelling lifestyle or destination film might just provide the final comfort a buyer needs to secure the sale.

Film can convey emotion in ways other mediums cannot. It can entice buyers to imagine their new surroundings from the comfort of their home – wherever that may be. It can inform, engage, and educate. Most importantly, it is still the most under-valued and under-utilised sales tool many developers neglect to budget for. Q.

CAN HOME TECHNOLOGY CONTRIBUTE TO A GREENER LIFESTYLE?

TAS KYRIACOU
Director
Intelligent Digital Solutions

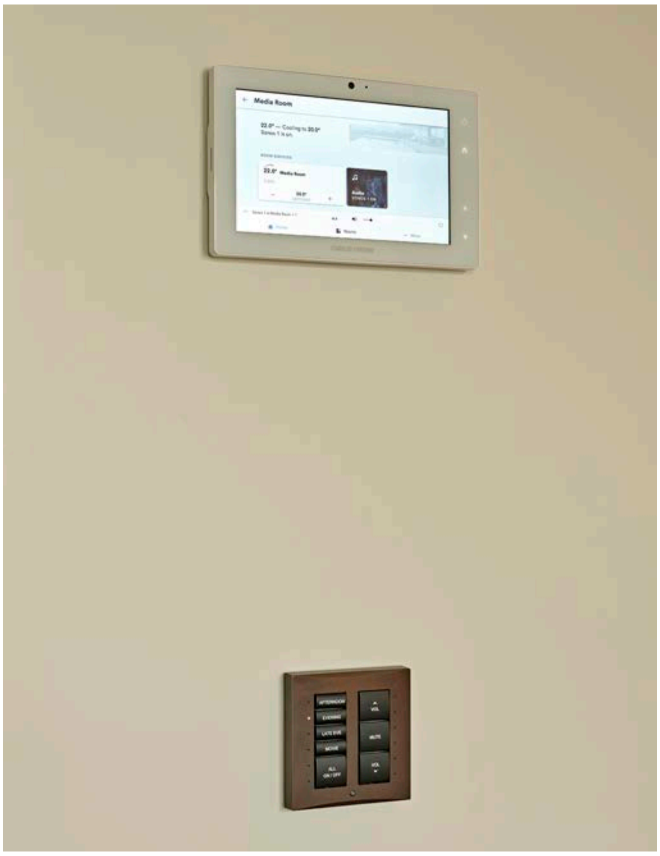
www.idsgroup.uk.com

IDS designed and installed an energy-saving home automation system for a prime property in West London's Notting Hill.

The home owners were an American couple residing in London with their three-year-old twins. Their hectic but home-oriented lifestyles meant they wanted the interiors to feel like an inner-city sanctuary that was luxurious and comforting while providing the perfect environment to create beautiful memories as a family and when entertaining guests.

The family was looking to live a greener lifestyle, so incorporating sustainable features was of high importance and so, Designed by Woulfe commissioned IDS to deliver a smart home scheme, optimising the house's performance and green credentials.

Today we are in a position where technology can play a major role in achieving energy efficiency and contribute to the reduction of our green footprint. For this project, our technology choices needed to reflect the client's brief to be sustainable and greener. Together, we decided on a lighting control system including LED lighting throughout and an automated heating and ➳



cooling system to ensure that the home was sustainable in its functionality.

We presented an automation system that can fuse together the audio, security, lighting, shading and heating, which not only ensured that the home was as energy efficient as possible; but also gave a real boutique luxury hotel experience in the bedrooms.

Family entertainment

Family time was precious to the clients, and they wanted to have a defined space that could happily entertain their children and guests. From soundbars to frame TVs, IDS programmed multi-room audio distribution, allowing music to be played throughout the home, giving the clients the flexibility to control music via the keypads, touch panels and smart devices, thus having entertainment at their fingertips.

Essential lighting

Working with lighting designer Lucy Martin's scheme, IDS strategically coupled lighting circuits to create beautiful lighting scenes for use throughout the home, all controllable via Crestron keypads, which were placed at optimal positions around the house.

Scenes included good morning, good evening, late evening, and entertainment.

Good lighting plus good controls are about what you don't see. A lighting control system's main aim is to make life easy and make light easy to use. The client can walk through the house without thinking about light; it just happens when needed. A standard 2700K colour temperature was used throughout the property. With a combination of sensors and timed scenes, the right light is provided at the right time.

By having most of the lighting scenes dimmed, we automatically reduced the energy consumption; however, it has been designed in a way where we do not lose the quality of light. Using occupancy sensors in the bathrooms means lights are only on when they need to be, contributing to the energy savings while still creating that calming ambiance. This design maximises the use of natural light, so artificial light is only triggered when it is needed, saving a lot of wasted energy.

A combination of quality light with easy, intuitive controls is conducive to good living and creating an inviting, sustainable environment – the result is magical.

Good system communication is vital in energy saving

Heating and cooling integration have also contributed to the energy efficiency

of the house. IDS did this by ensuring the underfloor heating and VRV cooling system communicate. This way, if the heating is on, then the cooling system will turn off and vice versa; this prevents system conflict and regulates the home's temperature.

Additionally, all of the touch panels not only display the temperatures of each zone within the house, but also allows the client to control the whole home heating and cooling system, without having to go to the specific room to make the change – an excellent intuitive, user friendly and convenient solution for the client.

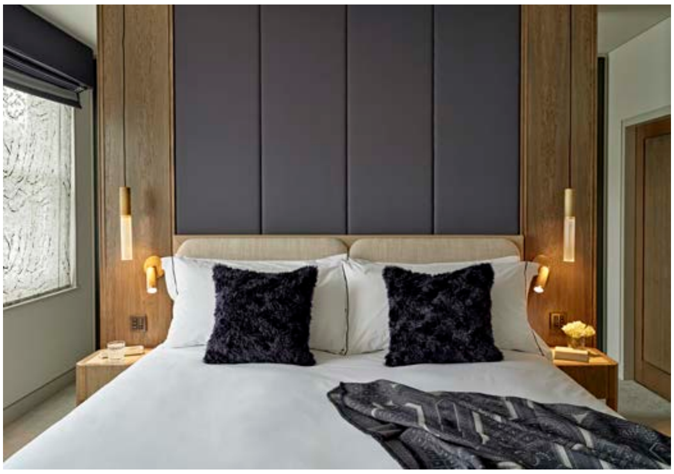
Charming, old-world design

We kept the keypads in the children's areas modern and discreet, opting for standard white. Whereas in the principal bedroom, living, and entertainment areas, we opted for a brass plated finish with black buttons to complement the charming, old-world design choices.

All off

With sustainability high on the agenda, one of the most important features of the automation design was the ALL OFF button, located at the exit. With this button, the clients can ensure a light is never left on again when leaving their home.

This project is the perfect example of achieving luxury lifestyle living while being energy efficient and reducing your carbon footprint. The beautiful lighting scenes throughout the home add a level of elegant luxury, resulting in an opulent, fun, guest experience like what you find in a luxury hotel. I think the combination of high-end design and the latest home automation platform and behind the scene controls has had a stunning effect all round. Q.



HOW TO TELL A STORY WITH EACH ROOM.

CHRISTIAN TURNIER
Managing Director
GCT Marketing

www.gctmarketing.com

When working in new developments, you don't always get to see the finished apartment before you have to start designing the space. Well, that was the case for the property in One Riverside Park: when we first got the project, the sky home duplex was not at all ready and there were no walls, stairs, and some areas floors.

GCT Marketing enlisted the help of 3 top interior designers who were veterans in the showhouse circuit to design something yet unseen. Each designer was to create vignettes of their work in the 6000+ square foot property. The participating designers were given a list of brand partners to work with and to create something spectacular.

The project took off and up market brands like Saint Louis, Christofle, Christopher Guy and Steinway & Sons all were eager to be part of the showcase, as this was the first time these top designers had ➻

collaborated together to create something harmonious yet unique to their own style and talent.

The biggest challenge for the space was how to keep this project in line with the purpose to sell the listing. By having multiple designers and brands, it would be easy for the overall look to be chaotic and disjointed. The solution was that designers were restricted in over-accessorizing and overcrowding a room, focusing instead in creating a moment in each space by using statement pieces.

The key behind great staging is to master the art of “smoke and mirrors;” to create a feeling of luxury through the use of colour and textures without having to modify any of the existing structures and walls.

Each room had a story in mind, from the den which has a darker sultry palette with a ventless fireplace to the living room with double height ceilings to feature a self-playing baby grand made for entertaining and recitals. The two dining rooms were transformed into a formal dining with some light pastel tones for the chairs to contrast the dark wood and the crystal chandelier, and the family dining room with the phantom chairs and matching circular dining table in earth tones for a more playful look with a view to the private pool.

The bedrooms were used to convey different uses of space. Because the duplex had 7 bedrooms, it would be a bit boring to keep repeating the same idea. We decided to be creative in our approach and used 4 rooms as bedrooms, and the others became a kid’s playroom, private sitting room, and an office.

When designing for a development, it is easy to forget that the buyer does not exist, it is just a story being told. Q.

CASE STUDY: TRANSFORMING THREE TELFORD PROPERTIES INTO TWO LARGE HMO'S.

JEREMY ASHWORTH
Founder & CEO
Cantata Properties

www.cantataproperties.co.uk

CANTATA PROPERTIES

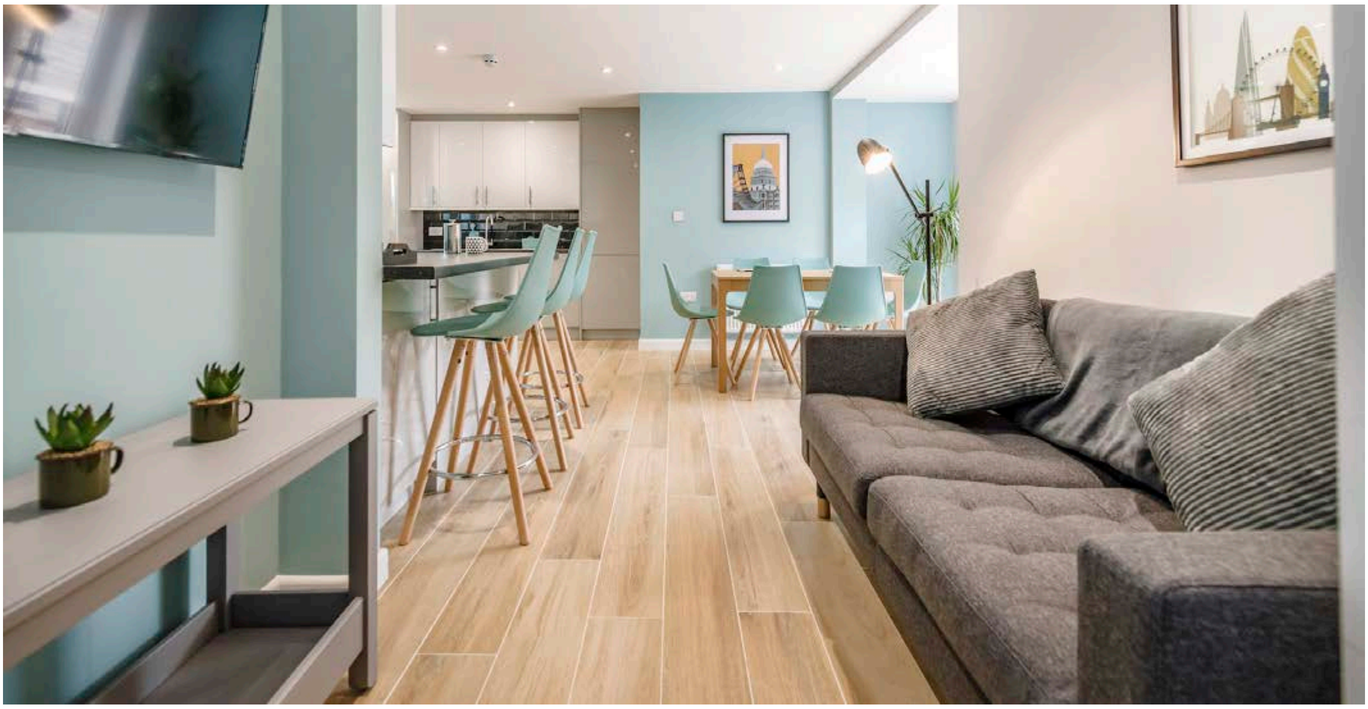
When the opportunity to purchase three terraced properties together arose, we immediately recognised their potential. We first sought prior approval for change of use from B1a to C3 residential, and then applied for planning permission to convert the properties into two large HMOs (9-bed and 10-bed), all with ensuite bathrooms.

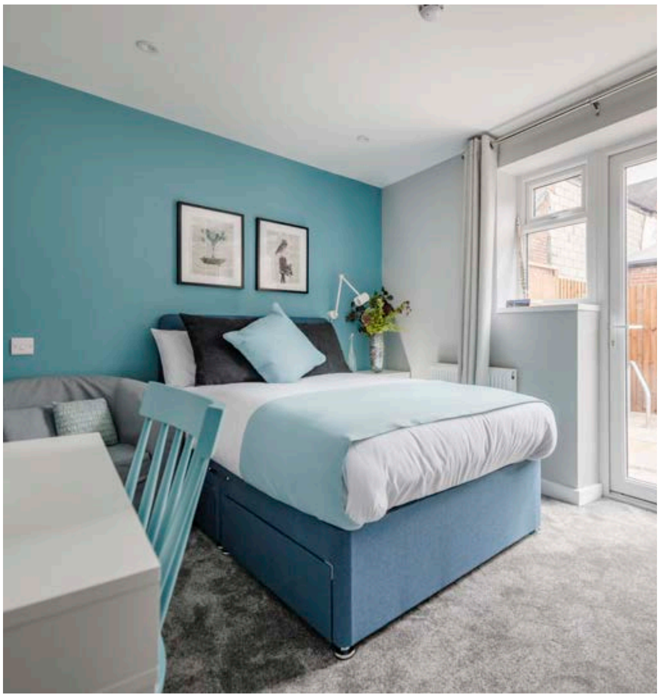
The biggest challenge was working with a new builder for the first time and trusting they would be competent,

CLICK HERE TO TOUR THE PROPERTY!

trustworthy and able to cope with Covid 19's potential disruptions.

Plenty of communication, especially across the long distance between Telford and London (where we were based) was crucial. The builder engaged well with that. Trust was built quickly. From our side, we made sure we paid monthly bills immediately and listened to their sometimes alternative ideas. They bent over backwards to get us through Covid.





Lessons learned during this project

It is indeed possible to run a project from a sizeable distance (it was my first time so far away from London), as long as there is a good relationship with the builder.

Talk to the letting agents right at the start to understand the market as best you can. This enables confidence in the design. It also enabled an early conversation to start with the NHS, to whom we let out all 19 rooms at the very start.

When you have built up expertise in an area of property (eg high-end HMO's), there is a lot to be said for sticking to that focus, as opposed to trying to do everything. Q.

The Numbers	
Project type	Conversion of three terraced houses into 19-bed HMO
Project duration	7 months
Number of bedrooms	19 (10-bed and 9-bed side by side)
Number of bathrooms	19
Size	400sqm
Location	Telford
Purchase Price	£260,000
Development costs	£450,000
All other costs	£40,000
Total costs	£750,000
Valuation	£980,000 (projected)
Paper profit	£230,000 (projected)
Margin on cost	30%
Average pcm per room	£500
Annual gross rent	£113,000
Annual operating costs	£35,000
Annual mortgage	£34,000 (projected)
Rental profit / cash flow	£44,000
Gross yield	11.5%
Net yield	4.5%
Voids	All rooms let at start
Valuation	£980,000 (projected)
Debt & Arrangement fee	£720,000 (projected)
All in	£720,000 (projected)
Cash left in	£36,000 (projected)
Interest	4.75% (projected)
Annual ROI	121% (projected)
Planning partner	ET Planning www.etplanning.co.uk


HOME

CASE STUDY: HEOL GERRIG, SWANSEA WALES.

DORIAN PAYNE
Director
Castell Group

www.castellgroup.co.uk

CASTELL GROUP
Property Development Specialists

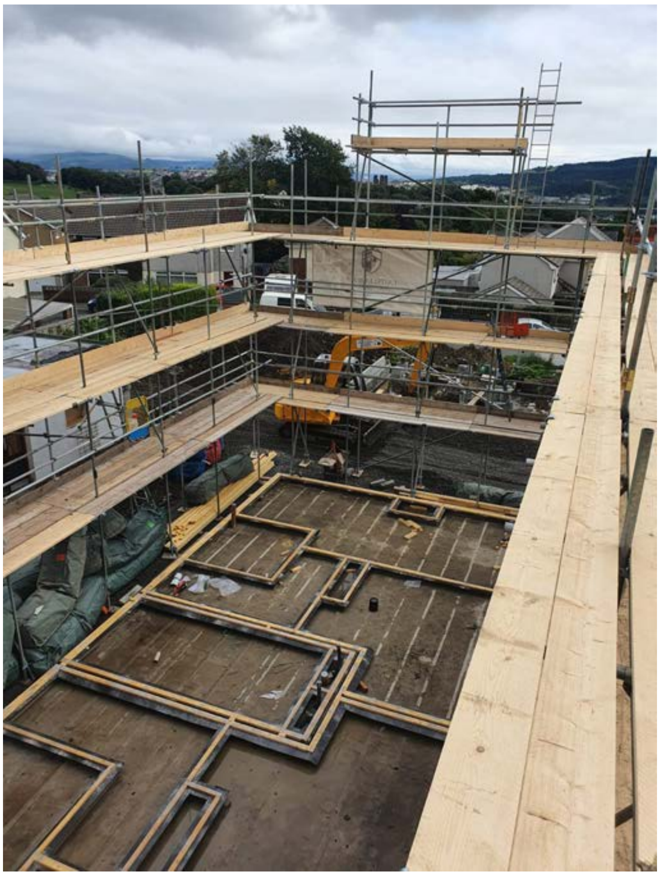
We are cureently involved in the construction of nine 1-bedroom social apartments for a local Registered Social Landlord. The entirely re-designed building includes a standard timber frame construction and A-rated energy rating with the use of solar assisted heat pumps. Our initial thoughts and appraisals on the site were positive and we acquired it with full planning.

Two key challenges included:

1. Planning permission required changing, as the approved drawings did not comply with social housing standards. We had to go back to planning three times. 2 x NMA and 1 x S73 application. This caused a significant pre-start delay.

2. Reliance on other professionals. We had a problem with the local authorities' highways department with simple access on the site to start construction, time delays in completing the S278 and a

requirement to use a specific contractor which was more expensive than budgeted. We didn't necessarily overcome the challenge, we just had to hold back our frustration and work through it, politely chasing constantly. The additional overspend is unfortunate and is now a sunk cost. ➳




GIVE
WAY

Two key lessons learned:

1. Just because a site has planning permission, it doesn't mean that it's going to be the right permission for you as a developer; it also doesn't mean that amendments are going to be easy or fast. It can be quite the opposite.

2. Check with the local authorities' highways department to see if they have an approved list specifically for S278 / S38 works, or if we are able to use our own contractors with the relevant licences and public liability cover. Factor the potential cost increase if relevant. Q.

STRESS-FREE FUNDING SOLUTIONS FOR PROPERTY DEVELOPERS

Would you like to take the stress out of sourcing finance for your next development project?

Have you considered delegating this task to an experienced Development Finance Broker?

- Whole of Market funding for Debt, Equity and Joint Ventures, tailored to meet your requirements.
- Residential, Student and Commercial projects in the UK and Ireland.
- 35+ years' experience as a professionally qualified Development Finance Banker and Broker.
- Regulated by the FCA.
- FIBA Member.
- Competitive, fair, and transparent fee policy and tariff.
- Testimonials and references available.

For a free, confidential and no obligation consultation please contact Gary Walsh

Telephone
0207 205 4200

E-mail
finance@optimafunding.co.uk

Website
www.optimafunding.co.uk

and request a call back

optima

Stress - Free Funding Solutions for Property Developers

FIBA | Member

HOW TO SURVIVE COVID...AND LIVE. A PROPERTY PERSPECTIVE, NOT A CURE.

NICHOLAS COWELL
Managing Partner
The Cowell Group

www.cowellgroup.net

Cowell Group

Firstly, I would like to thank Qandor for allowing me to put my views across to its members. I have been involved with the club since its inception and I am proud to be associated with its members.

What I really like about Qandor is the desire to connect like-minded people together and, no matter if you're a seasoned (old) developer like myself or someone just starting up, the club allows us to learn from each other and gives us the opportunity to exchange views on the property market.

Over the last couple of years, I have had the pleasure of engaging with many of the members and have enjoyed the many events as well as one-to-one meetings.

Today we are living in very uncertain times and the big question is: where do we go from here? As I don't have the answer to this, I could either leave this article with a blank space or fill it with my views and thoughts of where we can add value to our portfolios whilst staying in the game.

I decided to choose the latter and so I want to give you the insight from the Cowell Group's perspective and how to survive this Covid Crisis we all find ourselves in.

Company Health Check

Every company, no matter how big or small, needs to run on gas and make decisions to navigate a crisis. The main lesson I have learned is that each downturn is different and what you may have learnt from a previous one almost counts for nothing. So, we have to have updated ideas and passion to survive, in order to deal with opportunities as they may present themselves in 2020.

As a company, we had the ability to refinance the majority of our portfolio about 2 years ago with a 20-year term, so fortunately we are not under pressure from the banks. We feel one of the toughest challenges for any property company, whether you are a developer or investor, will be dealing with your banking covenants, as most people will be in breach. So, the prudent approach is to deal with your facility now before the banks step in.

The reason we refinanced was simply because of this reason; we felt vulnerable to market change and sentiment. Whilst we did not foresee the pandemic, we chose the conservative route and, on this occasion, it has served us well.

The next issue is collection of rent and general cash flow.

One of our strongest assets is that we have a strong management team which has allowed us to develop great relationships with both residential and commercial tenants. As a result, we have collected a high percentage of rent, which is something we are proud to have achieved and believe this is down to us looking after people when times were good.

Our policy has always been to reinvest back into our properties in order to ensure they are well maintained and kept up to date. This of course also applies to compliance, which in itself is a minefield and appears to be changing on an almost daily basis. Those who are not on top will pay the price later on down the years.

The reality is to maintain a healthy cash bank balance at times like this to enable you to be a buyer when stock is selling. I don't think we are very different from many companies in this aspect; we have taken this opportunity to sell underperforming assets as well as financing stock with new debt in order to be ready when deals appear on our radar.

New Deals and let's make some new money

This is what I think we all want to look at, and our interest remains on income producing assets.

We will of course always look at trading deals, but these are hard to come by right now. With a difficult market to read, it makes it almost impossible to buy unless you have a 3-year plan.

The last 6 months have been interesting and, without question, tough to buy whilst finding value. We have bought a few investments including 9 flats in Ealing and some sites with fantastic development potential.

The challenge for us was completing during lockdown; we had to find new ways to work with banks and lawyers. We had lots of fun and games but with lots of innovation and putting Zoom/Teams to good use, it did the trick. As a result, we were able to use this technology to agree terms and go through the rigour that banks now require to sign off on finance. I would like to personally thank the lawyers and banks who helped us through these dark days – I am sure as a result we ➺

will all do more together in the coming months.

We have also bid on a number of units in auctions as well as private treaty and were surprised on the high level of price achieved. This has led us to believe the market is robust and strong. Despite this, once the effects of furlough ending comes into play, we expect a small downturn and the braver buyer will undoubtedly find some good deals.

In some instances, there have been auctions where full break up prices have been paid for buildings to get what some investors believe to be secure income. We as a property company have to remember there are buyers who are not always looking for the added value potential like ourselves; there are other driving factors in the market.

Part of our remit is to also ensure we constantly review ourselves, look at our assets and ensure that we are managing them correctly in order to maximise our portfolio. For example, this has resulted in the development of a roof space in Maida Vale, 5 extra flats in Chiswick as well as a new build house in St John's Wood, all for future income.

Permitted development

I made a big mistake in a recent interview referring to PD stating I wanted to steer clear of developing ugly office blocks into ugly blocks of flats. Little did I know a reporter from the Times would hang me on that statement when I put in a PD application on a building we were buying for co-living that appeared to have no windows! He wasn't interested in the fact these were draft plans and were of course subject to amendment; even we realise that windows are clearly an important part of our overall design!

I think it's important to recycle buildings rather than simply knock them down. Many old offices and warehouses are built well with strong loading, so it can be ok to add floors and massing. Many of these properties are ideal for low cost residential and we are committed to radicalising the system to provide better housing at a more affordable rent. With the right planning and desire from local authorities or indeed government, this is all possible and will provide a valuable asset class for the future.

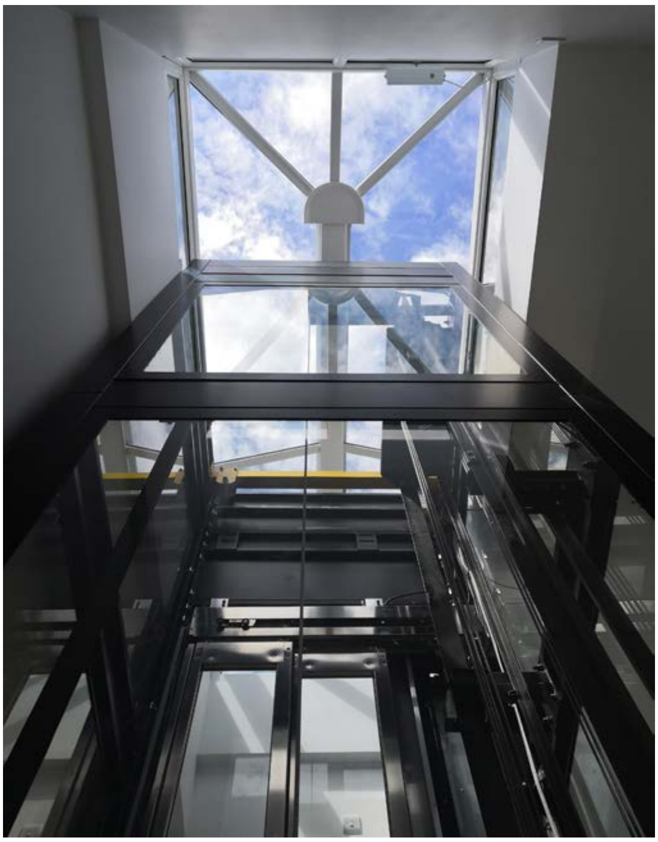
CASE STUDY: COMPAYNE GARDENS, LONDON.

The property was a 3-storey building with part-basement, located in a 750sqm plot. The building, named “The Turret”, was originally designed by Banister Fletcher senior in the 1880s and included a great level of architectural detailing; however, most of it was altered or lost over the years. ➳

The building was in poor condition when the project started, comprising by 11 flats (9 studios, a 1-bed and a 4-bed flat). The majority of them did not meet current housing standards or building regulations, offering a poor quality of living.

There were two key points in the concept for redevelopment. The first one was that the original central core reflected well the initial purpose of the building, but was taking up too much space, compromising the rooms around it. The second point was the height of the floors, at 3.90m on the ground floor and 3.70m on the first floor, and the potential it gave.

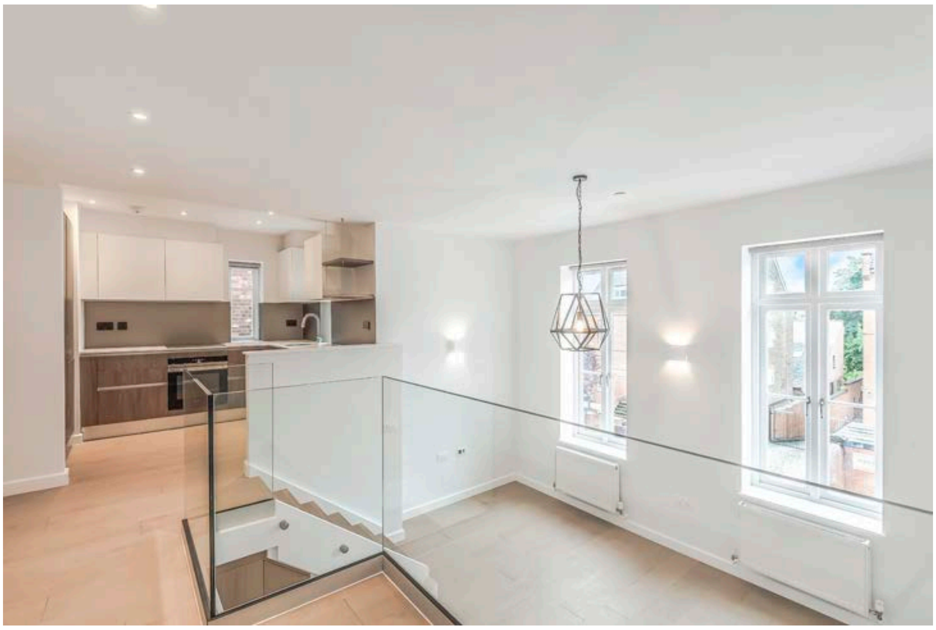
The redevelopment created 15 brand new 1-bed and 2-bed flats through the extension of the basement below the whole footprint of the building, the conversion of the loft and the insertion of a new mezzanine floor as well as the full internal re-planning and refurbishment.



The redesign was based on diminishing the size of the communal space to the necessary levels, providing valuable space to the undersized flats around it, as well as introducing a new gallery level in the central part of the building, making full use of its volume and providing proper 1-bedroom gallery flats.

Detailed design and working closely with many specialists in regard to all safety regulations allowed us to have open plan flats with high ceilings, offering a quality of space that is rarely found nowadays in London.

The biggest challenge of the project was to create high-level quality space and, at the same time, preserve, enhance and restore the characteristics of the building as per the original designer’s intentions, while making the most of all available space.

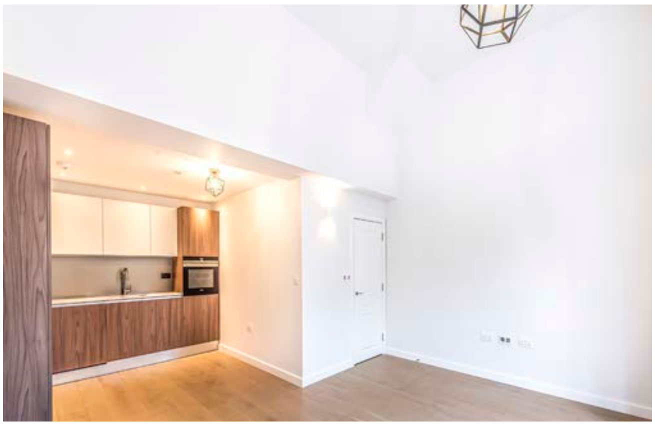


Taking over a building of such architectural virtue, even though lost in many places, was difficult to live up to, but through the hard work and detailed design, we think we managed to bring the building into the current standards, respect the original architect's intentions and restore most of the original features externally under the guidance of our new young talented architect Simoni Devetzi.

The feeling you got from the original staircase and the roof light on top when walking into the building was magnificent, and that was something that we tried to reintroduce in the redevelopment, investing a lot of time, money and effort to create nicely finished communal areas and adding a glass box lift in the core of the building with a roof light on top to get light in the central core of the building whilst still offering the convenience of a lift to our tenants.

The feedback we get from the tenants and visitors of the building is testament to the success of the redevelopment.

One of the most important lessons learned is that the biggest problem is understanding cost x time. We are a small and effective team but, when it comes to planning, we have to work at the pace set out by local authorities and, ultimately, this slows down your project by many months or indeed years for the bigger projects. It's best not to underestimate your holding costs.



We also learned from the amount of changes needed during the build; again, we rely on a highly reactive team who are allowed to make decisions.

Compayne Gardens is located in West Hampstead, once known as "Millionaires Row" due to the amazing detached Edwardian Houses, most of which have been converted to flats. The architect best known for this location was Banister Fletcher (1866-1953) and our house was one of the best local examples of his work so we hope our changes would make him proud.

Clearly, we have a big issue ahead of us regarding the return to work versus working from home. As a creature of habit, I love my daily trip to work and enjoy the company of my working colleagues. For us at Cowell Group, we are a small team and have been able to navigate the new rules and regulations, so we are largely back to normal in a safe way. I am shocked when I speak to some younger people that they feel they prefer to work from home and I am very concerned, not only about our industry but also for many young professionals who won't be mentored alongside more senior members of staff who many of us have relied on for guidance and experience.

My own career has been well documented, and I have made no secret of the fact I proudly started as the office boy. I owe my career to the team I started to work with such as Sir David Garrard, Bruce Green and Alan Sharr, who were the spearhead of the property industry in the 1980's. I have no doubt that it was their guidance and inspiration that allowed me to further my

At a glance	
Project duration	2 years
Purchase price	£4m
Total costs	£7.5m
Rental Income	£400,000p.a.
Location	NW6, London

own career. I am not sure I would have been able to do that from the small flat I used to occupy.

For that reason, my money is on a majority returning to work, but this will take time, so please hold on to some of the office space as I feel it will be in popular demand in the not too distant future.

I do think it's also important to keep a healthy work life balance and I remain focused on riding my motorcycle to many interesting places around the world, but lockdown has also taught me that Great Britain is as good as any place in the world. Some of our roads and landscapes are spectacular. My last ride was in southern Scotland from Manchester to Turnberry; once out of the busy roads, the scenery is incredible and hardly another person or vehicle in sight. Q.

THE IMPORTANCE OF LOCAL COMMUNITIES.

WILL HERRMANN
Founder of West Eleven

www.westelevenlimited.com

Entrepreneur and developer Will Herrmann, founder of West Eleven, explains why local communities have never been as important as they are right now – and how to make them a business priority.

There is, of course, no doubt about the need to think globally; and whatever deal may or may not be struck with our European neighbours in the next few months, that imperative certainly isn't going to change. What has changed, however, is the increasing importance of thinking locally as well.

As we negotiate our way through the global pandemic, the building world is encountering some seismic challenges and changes affecting both the residential and commercial markets – at the heart of which is the birth of a new localism.

Identikit little boxes in dormitory suburbs or inner-city brownfields are just not acceptable to buyers anymore (if, indeed, they ever truly were). Instead, today's house hunters want to know that they are joining a community, not just moving into an apartment block.

Covid-19 has shown many people ➳

just how feasible it is to work at home rather than commute for hours, and it's a freedom I suspect they will be loath to relinquish in a hurry. It has also shown them the value of more spacious homes, private outside space and an environment that enables them to get to know their neighbours. For developers, that means the opportunity to build better homes at a higher value – knowing that in a world where your home is your sanctuary, your security and your workplace, people will prioritise that spending above all else.

The new focus on localism is a timely reminder of the importance of building the right homes in the right places, as buyers increasingly demand the facilities they need right on their doorsteps. With short-distance car use being increasingly shunned by younger, environmentally aware buyers, compounded by the current perceived health risks of public transport, the ability to walk or cycle to schools and shops is more important than ever.

Bearing this in mind, developers need to see the high street as an opportunity rather than a challenge. There will be opportunities to convert underused space above and behind shops into affordable accommodation, as well as transforming redundant shops themselves – a process that has been made considerably easier and more attractive by the Government's recent relaxation in planning red tape.

New permitted development rights now allow retail and commercial buildings to be converted into housing without making a full planning application, in a similar way to rules governing office buildings. And while there has been criticism of how these rights have been used in some cases to create poor quality homes, it certainly doesn't have to be this way. I believe in building high-quality developments that improve the lives of those who live in them as well as leaving a positive mark on the surrounding community and landscape – and that can be achieved at any price point with the right amount of skill and will.

I began my journey into property development when I bought five run-down bedsits and transformed them into good-quality student accommodation while I was still a student myself at the University of Bristol. Ever since then I have tried to add value for the resident and the community as well as just to the bottom line. At Caley House in Wimbledon Village, for example, we turned the sprawling Edwardian home of art critic Brian Sewell into nine beautiful apartments and mews houses, each with a mix of their own private outdoor space and mature communal gardens where neighbours can get to know each other. The development was designed to preserve the open street scene in the conservation area, while providing much-needed homes in the area.

With similar sensitivity towards the local community, one of our previous projects was Bakery Place, in Battersea, where we transformed an old Victorian bakery into 12 beautiful new homes, preserving the character of the building through the use of glazed brickwork, cast-iron columns and industrial-style glazing.

Our latest scheme is in a very different part of the country – near Rock in North Cornwall – but the thought process is the same; respecting local people and local design. We are planning to sensitively transform the previously run-down 120-acre Trefesa Farm into a boutique resort with 24 hotel rooms, 20 lodges and two treehouses for guests to stay in, along with a spa and restaurant that will be open to nearby residents and will serve Cornish-sourced food, plus a mezzanine workspace area with 30 networking desks that can be used by local companies.

Plus, in a slight side-line from the business of property development (but come on, who doesn't secretly want their own distillery?), our own home-made Porthilly Spirit vodka, gin and rum will be distilled, sold and drank (in sensible moderation, of course) on site, as well as being exported around the world. Our Cornish Coastal Gin is made from British sugar beet and Cornish spring water, flavoured from local wild botanicals including the sea pink that grows on the cliffs and the salt harvested from the coastline, with part of every sale being donated to the Cornwall Community Kitchen feeding those in need. Thinking simultaneously local and global is always a winner, whether you are selling rum or rooms. Q.

LOVE THY NEIGHBOUR...

GEORGE CHARALOMBOUS
Director of Thomas & Thomas

www.ttsurveyors.com

THOMAS & THOMAS
CHARTERED BUILDING SURVEYORS

When it comes to the design process, neighbourly matters remain an integral aspect and one often overlooked by developers.

Party Wall, Rights of Light and Daylight & Sunlight and the wider umbrella term of neighbourly matters are often seen as risk items requiring 'ticking off' by Developers and their Project Managers alike. We have experienced first-hand the issues that can arise if these items are an afterthought, which can have both programme and financial impacts. Early engagement and integration with design is invaluable when considering this specific and often complicated part of the project lifecycle.

The benefits of incorporating neighbourly matters at an early stage are far reaching, both in terms of risk mitigation, but also informing design decision with regards to party walls and the rights associated with them. An example of this in effect is Bell Yard, a development of 12 luxury apartments opposite the Royal Courts of Justice. In this instance, we were engaged from the outset

of the project and were able to determine the status of walls and boundaries around the site. This approach allowed the architect to utilise shared walls and maximise the building footprint, whilst also obtaining an access right to carry out the works.

Another aspect to consider is where access to adjacent land/property is required; in this instance, licenses would be required to oversail or gain access. Again, an early and collaborative approach can identify where is an issue, thus allowing timely communication and negotiation with neighbours and allowance within overall project programming. As negotiations most often result in a commercial settlement, a developer with plenty of time and an option B fallback is far less likely to be held to ransom. Considering these items early in conjunction with consultants experienced in the field allows for a strategy to be determined and prevents unwanted delays and expense.

In addition to Party Wall and access related issues, Rights of Light and Daylight and Sunlight should be carefully considered and form part of the design development process. When development of property involves increasing the building's mass, the effect that the increased massing will have on the light enjoyed by neighbouring properties, whether they be residential or commercial, is often overlooked by developers or their project team. Developers should be aware that there are two aspects when considering the impacts to the daylight amenity to surrounding properties.

The Local Planning Authority (LPA), when deciding an Application, will wish to ensure that the development will not cause 'material harm' to a neighbouring property's (usually only residential) daylight and sunlight amenity. More often than not, the LPA will specifically request a Daylight and Sunlight assessment is carried out to ➳

support the Application or will not validate the Application until one has been submitted. Consequently, this may delay the Application and indeed, if the results are not favourable, may give reason for refusal causing further delay and redesign fees.

Developers should also be aware that neighbouring properties (no matter what the class use) can sometimes enjoy a right of light over their land. A right of light is a legal easement; the remedy at common law for an interference with an easement is injunction, which may involve having to remove parts of the new building so as to allow adequate light into the affected property. Clearly, such a situation could be financially disastrous for a developer, as happened in HKRUK II (CHC) Ltd v Heaney 2010, where the developer HKRUK were ordered by the Court to remove the offending part of their building, causing the interference to the neighbour's enjoyment of light.

Considering both Daylight and Sunlight for planning and Rights of Light at an early stage in the design process can mitigate potential problems at the planning stage and, with respect to rights of light in particular, help the developer understand the risks. This enables the correct strategy to be implemented to deal with the risk, thus reducing expensive redesign fees further down the line. In addition, when considered early, there could even be the possibility to increase massing in line with the Daylight and Sunlight Guidelines, thereby maximising value for the developer.

The benefits of the integration of Neighbourly Matters within design development are plain to see, from strategy and risk mitigation to asset optimisation. Developers should be engaging with these elements as part of the initial appraisal and feasibility of any site they are considering. Q.

FROM FAIL AND FIX TO PREDICT AND PREVENT.

JAN TORE GRINDHEIM
Founder, Co-Owner and CEO
Fonn Construction

www.fonn.io

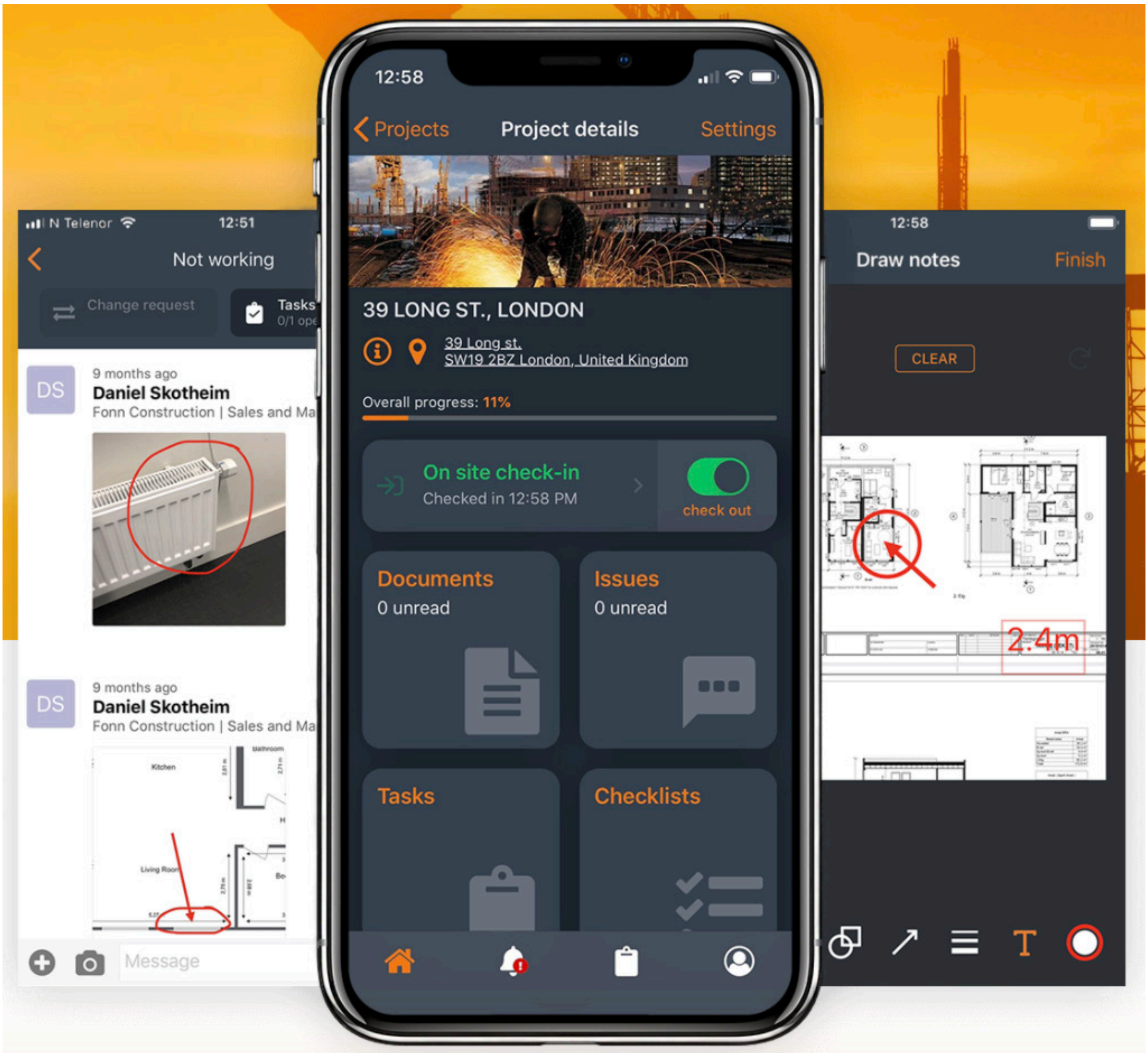
DAVID LAWRENCE
Vice President
Fonn Construction

Construction projects require diverse teams to plan, design, construct and uphold the project. It is commonly agreed that for a construction project to be successful, it has to be completed on time within budget and according to the specification.

Forecasting project performance is one of the most demanding tasks in predicting whether the project will be a success. The effective performance of a construction project cannot be achieved without challenges and obstacles. To meet these challenges and beat these obstacles, an organization must have a clear awareness of its performance. Efficiency in the construction can be defined as the project completed within the time schedule and cost budget.

How do you measure project health?

Firstly, a construction project can be defined as a sequence of unique activities, having one goal or purpose and that must be completed by a specific time, within budget, and according to specification. Project



performance is judged mainly based on the four performance metrics: cost, schedule, quality, and satisfactory performance.

A good project manager will use experience and historical data to identify obstacles and warning signs in an ongoing project, to take corrective actions or even mitigate risks already when starting and planning the project.

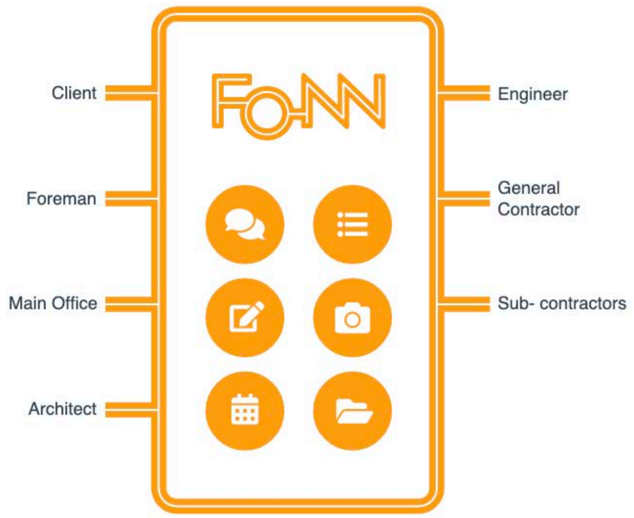
The decision-making and management may be supported by live data dashboards, gathered from the project, displaying KPIs and visualizing project status to assist the manager in the decision-making process. This is defined as descriptive analytics.

The future is predictive analytics.

Algorithms and challenges

For implementing the correct algorithms for making predictive analysis, you need historical data, analyzed and structured to help the programmers/mathematicians implementing the right algorithms.

Finding the right parameters, variable references, scaling and weighting these is a complex and tedious task, especially when working on different types of construction projects and with different users that might look at the results differently. ➳



User-friendliness is key

Machine learning and neural network algorithms are very complex, and not for you average John Doe to implement, but rather highly educated mathematicians and computer scientists. Hence, the presentation is very often complex and hard to interpret. Especially in construction, user-friendliness is important.

A survey from Software Connect, states that Ease of Use is the number 1 important consideration when buying construction management software.

At Fonn, our first priority is making our system available for all users with inclusive usability for all tech skill levels.

Change management

Getting any industry to adopt a change is often very challenging, but construction has always been one of the hardest. So getting the AEC sector to embrace machine learning will need to be lead by some key players.

Luckily, a few of the UK big construction companies are already exploring the benefits of AI and machine learning; Arup, Costain, Bam, Mace, Kier and Skanska are known to be leading the drive for the use of machine learning in key decision making.

Proven Results

Machine learning has already revolutionised other industries, notably in image recognition. IBM Watson can perform weather forecasting, tax return papers and even operate as a teaching assistant. Pluribus is a poker-playing robot that has beaten the best in the world by simulating trillions of games and effectively solving one where the deck has more starting combinations than there are atoms on earth.

Obviously, to get results in the construction space, we need a huge data set to seed the algorithm and begin to process the information.

The solution

Fonn has been gathering data from more than 15,000 projects over 3 years, with high-quality data, structured for the implementation of a neural network. The predictor variables are now being evaluated, and the historical "health" of projects being analysed. Interviews and workshops are being held to set the parameters of cost, schedule, quality, satisfactory performance and other critical factors on completed projects.

These outputs will be used to implement and finding the right algorithms to help our users in their decision-making processes and focusing on the "unhealthy" projects, instead of the projects that are performing good and moving the industry from Fail and Fix to Predict and Prevent. Q.

HOW TO TURN REFUSAL INTO PERMISSION IN 8 WEEKS.

DAVID KEMP
Director
DRK Planning

www.drkplanning.co.uk

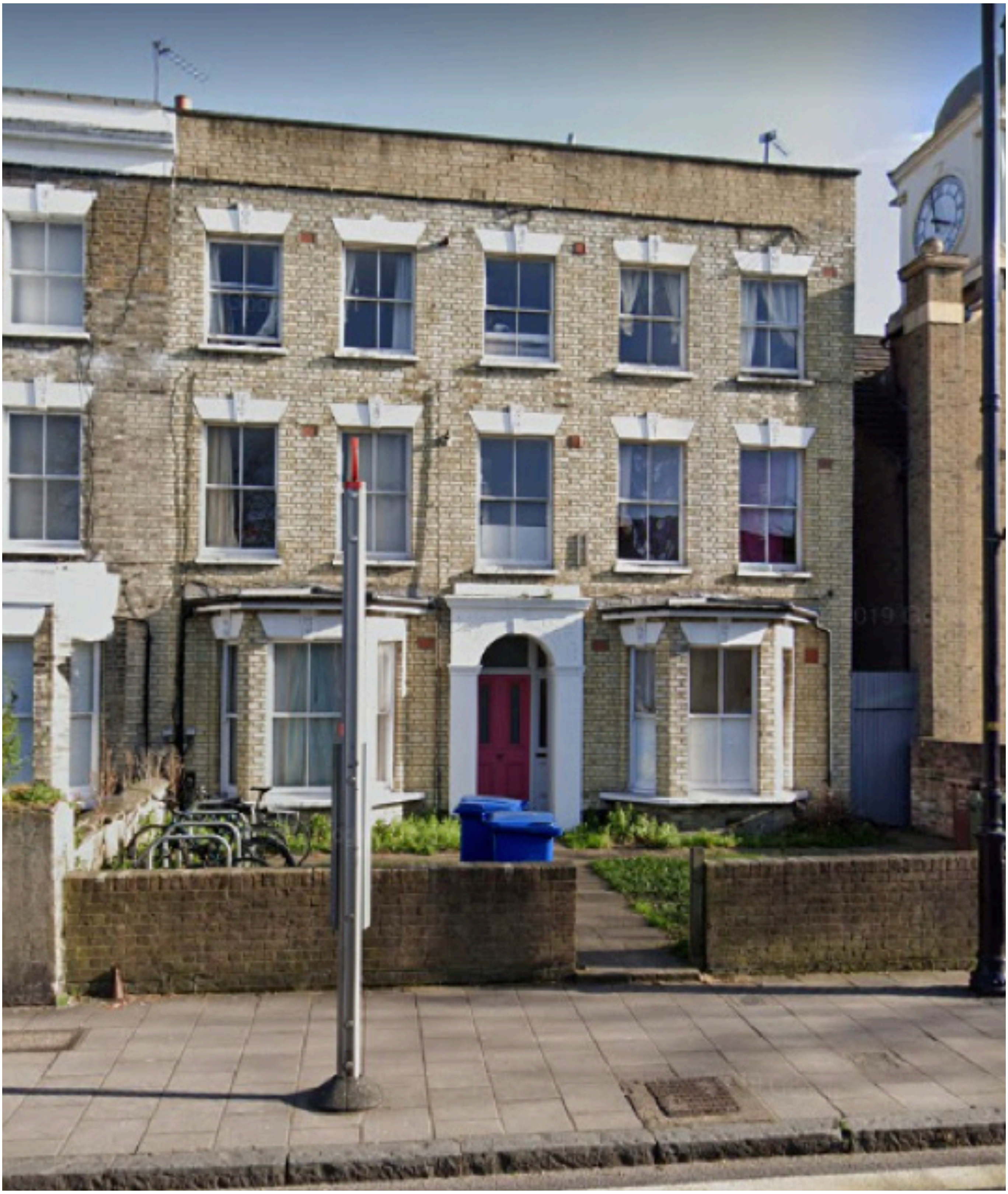
Confucius said, "Our greatest glory is not in ever falling, but in rising every time we fall."

The last few months have felt like never-ending change in planning and property around new PD rights, the Planning White Paper and changes to the Use Classes Order.

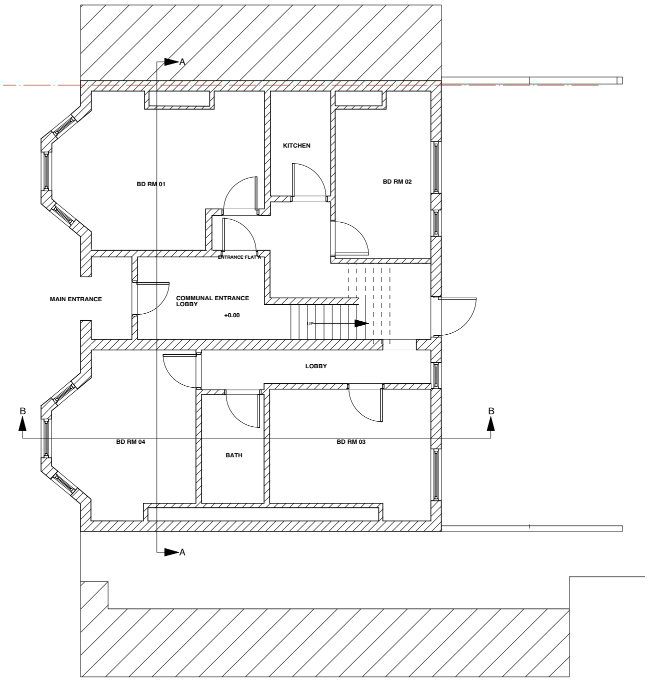
Given that these changes are making some PD rights begin to look and feel more like a regular application for planning permission, it's time to remind ourselves of the smaller kind of 'bread and butter' planning projects that are likely to be a mainstay for many SME developers over the coming months.

Here's how we turned a refusal into a success

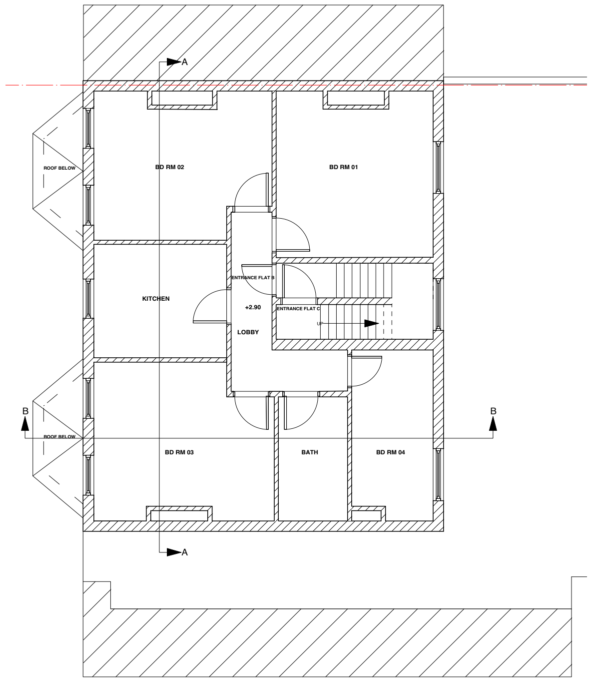
Refusal is the first step on the way to success. This was exactly the case with this development with Robert Jackson, from Centure, a proposal for rear extensions and extra units to a three-storey, semi-detached block in a Conservation Area in the London Borough of Southwark (below):



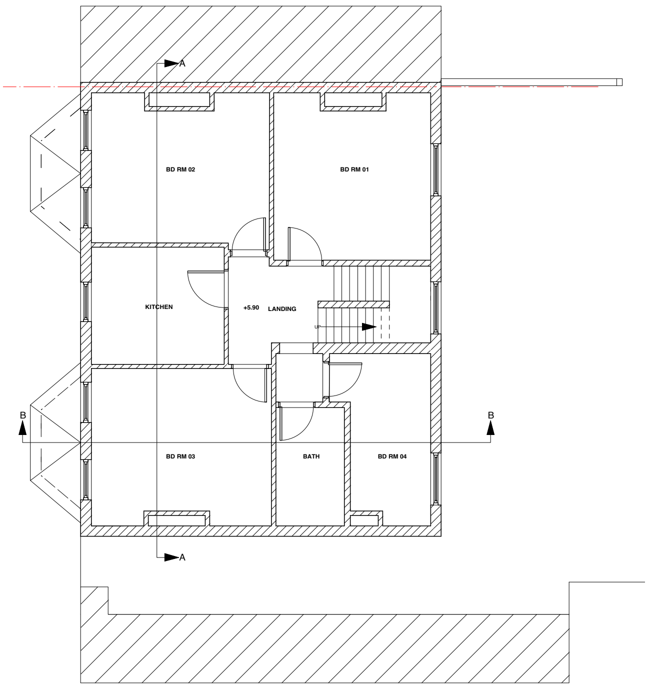
The existing property comprised 3 x 4-bedroom flats – one on each floor to the property, with a generous rear garden area (below):



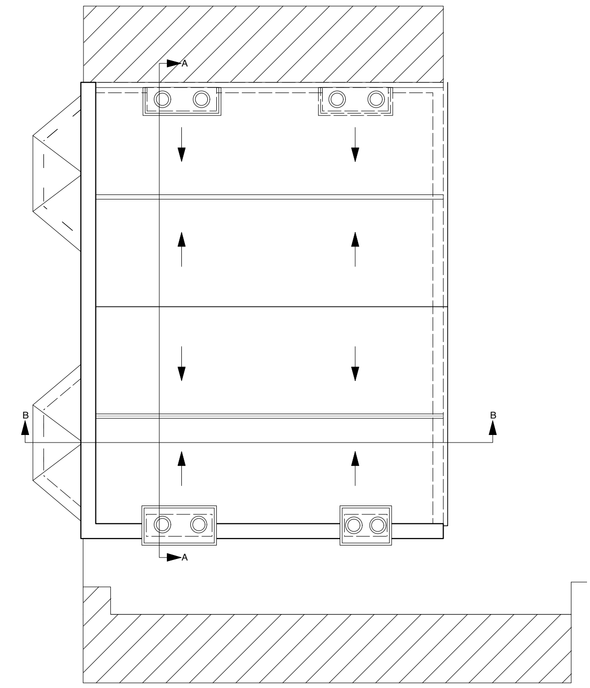
EXISTING GROUND FLOOR PLAN



EXISTING FIRST FLOOR PLAN

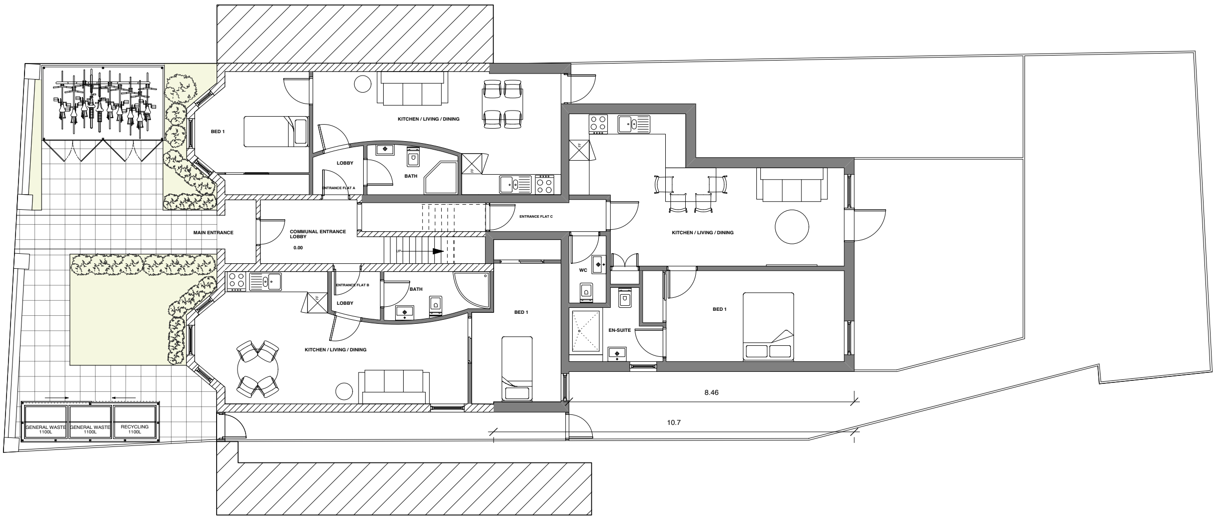


EXISTING SECOND FLOOR PLAN

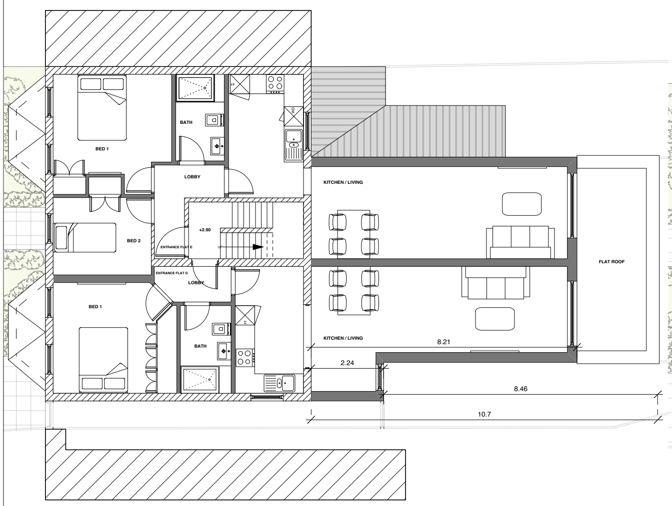


EXISTING ROOF PLAN

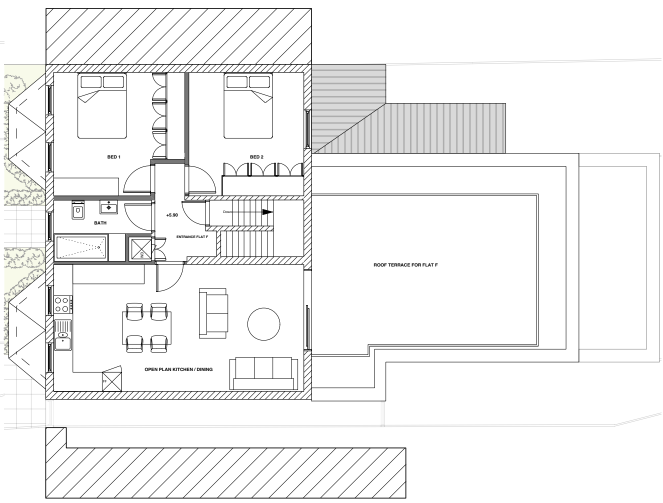
The client had previously sought to obtain permission for a part-1 and part 2-storey rear extension and convert the property into 6 flats – three studios on the ground floor and 2 flats on the first floor and a flat on the second floor (below):



GROUND FLOOR



FIRST FLOOR



2ND FLOOR

However, in May 2019, this was refused for the following reasons: "poor quality, owing to undersized ground floor units A and B, poor outlook and access to daylight/ sunlight, and the unacceptable risk to the privacy of occupiers of unit B". This referred only to the ground floor units, so it was assumed that the remaining proposed units to the upper floors were all acceptable.

We were then instructed to obtain consent for three units on the ground floor.

The Anatomy of a Planning Decision

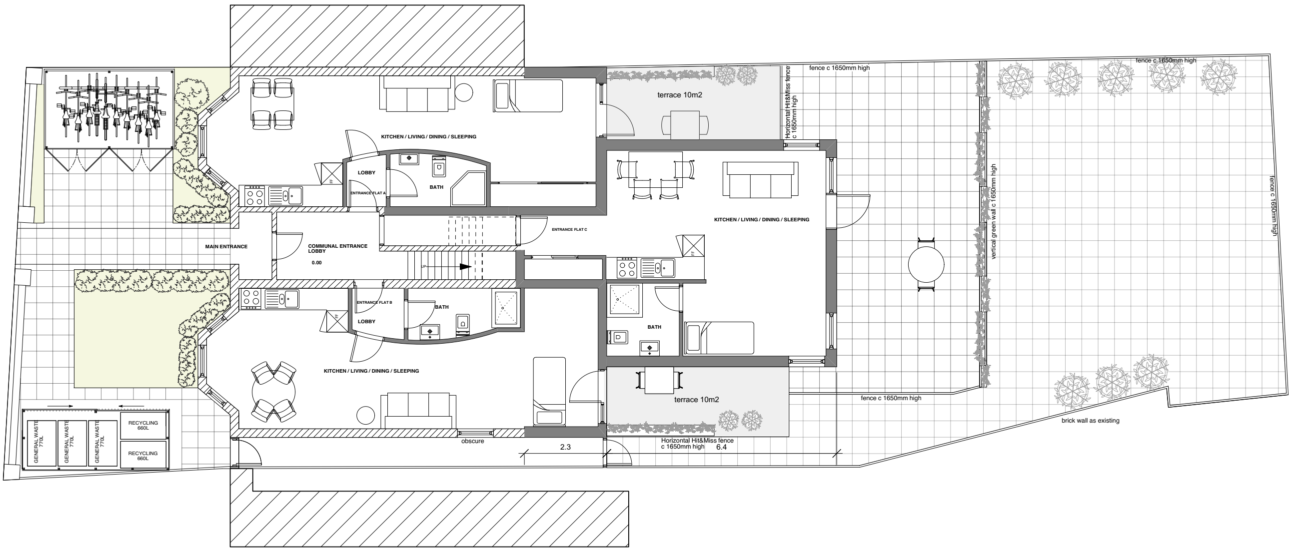
Often the most important document in understanding any planning decision is the 'Officers' or Delegated Report' in the case of a delegated decision or, where a Committee grants permission, it is the 'Committee Report'.

In order to work out where the scheme needed to be redesigned to overcome officer concerns, we dissected the officer report and found the following issues, to which we responded in the design instructions to the architect and with supporting documents in the following ways (opposite):

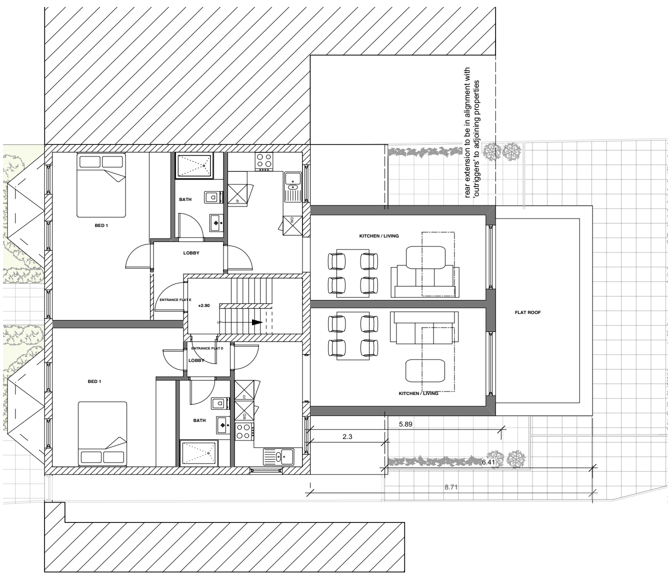
Officer Issue	Scheme Response	Supporting Document
Potential risk of overlooking from first floor rear roof terrace. High level terrace also considered harmful to the Conservation Area.	Roof terrace set back/ reduced in size.	Floor plans, elevations.
First floor unit too narrow with possibly poor natural light throughout.	Side of first floor rear extension had to be reduced in size anyway, but daylight also assessed.	Floor plans, Daylight and Sunlight report.
Ground floor units under-sized for 1b 2p units and poor light and outlook.	Ground floor units converted to studios and size of rear extension reduced in depth with additional window openings.	Floor plans, elevations, Daylight and Sunlight report.
Poor outlook to private terraces to the rear.	Reconsider shape and size of terraces, propose 'hit and miss' fencing to allow light penetration whilst retaining effective screening and use CGIs to demonstrate effective quality space.	Floor plans, elevations, CGIs.
Single aspect to some ground floor units.	Side windows placed to other elevations through changing the shape of outside and inside space.	Floor plans, elevations.
Lack of privacy to unit B, to the side of access to communal rear garden.	Fencing to be provided to divide off Unit B from the side access and rear ground floor projection made narrower and shallower, so a larger window to the rear could be created to avoid oppressive outlook from the rear of this unit, and allow it to look on to a 'pocket garden'.	Floor plans, elevations.

Officers will often indicate other concerns they have with a scheme that for any number of reasons did not make it on to the decision notice – so it's very important to look over the report to pick up ALL of the issues so officers don't throw up 'new' reasons for refusal later.

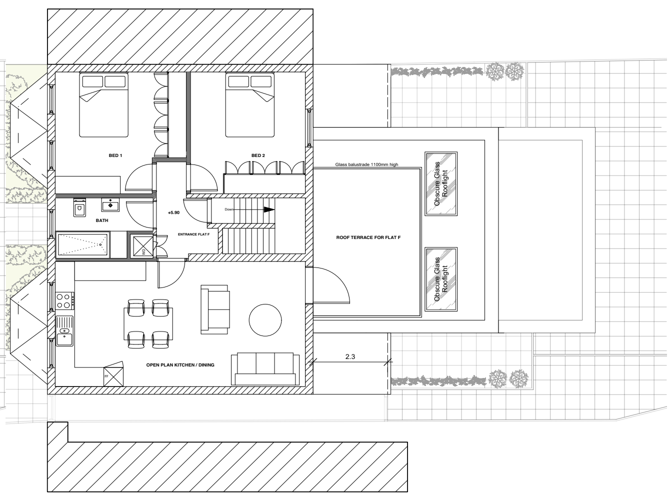
The final amended floor plans therefore looked as follows:



GROUND FLOOR



FIRST FLOOR



2ND FLOOR

Converting 1-bedroom Units to Studios

This can often help to preserve the number of units whilst also complying with size requirements. One bedroom 2-person apartments (i.e. a double bed is shown on plan) usually need to be at least 50 sqm GIA (or 58 sqm if a duplex), whereas a 1 bedroom 1 person studio has a minimum GIA of 37 sqm and is often therefore easier to fit into extended loft space or reduced space elsewhere.

As studios are usually mostly open plan (except for the bathrooms, of course), they allow for better light penetration throughout, which is particularly useful if a bedroom area relies on borrowed light from the living room area. This would not be possible in a 1 b 2 p unit which would have internal dividing walls between living spaces.

When drawing on plan, therefore:

- Remove internal dividing walls;
- Place living room space closest to the strongest light source if possible (so the bedroom receives borrowed light, not vice versa); and
- Show a single bed and not a double bed.

Improving Outlook to the studios

A critical part of improving the scheme was reducing the size and depth of the gardens on the edges. We did not lose much in terms of quality or value to these units as a result and the smaller gardens were probably more proportionate to the size of the studios.

In reducing these to shorter gardens, it also enabled side windows to be inserted to the middle unit, Unit C, providing this unit with 'dual aspect'.

Narrowing the size of the rear projection was also important for the following reasons:

- We were reducing the depth of the terraces to the studios so wider terraces would maintain their utility
- Wider terraces meant we could also insert wider openings to the rear, improving sunlight, daylight and outlook to living spaces (bedrooms)
- Better outlook and light amenity helped to mitigate the effect of higher side boundaries (e.g. unit B, to shield it from overlooking from the side access)

'Pocket Gardens' and CGIs

Many Councils often have minimum standards for outdoor space, sometimes seeking more than can be provided in built-up urban neighbourhoods as they usually fight to retain a lower density character to some areas. In London, we often find that these standards are in conflict with the London Mayor's Housing Guidance, which usually allows for smaller units around 10 sqm of garden space.

However, understandably, 10 sqm can seem rather confined in some situations and you need to find a way to demonstrate to officers that the area would still be useable and attractive to future occupants. Hence, we had CGIs prepared to indicate how this might look to future users (next page):

CGIs can be useful from more than one perspective and the image below indicates an 'unnatural' view, which we decided not to show, partly for that reason, but also because it makes the side 'pocket gardens' seem undesirably small.
We then submitted the scheme to the Council.

Conservation Area Character & Appearance

Overall, the application went quite smoothly – until the Conservation and Design officer got involved! Their 'beef' was that the extent of first floor projection proposed would harm the character and appearance of the Conservation Area and should project no further out than the depth of the neighbouring outriggers. We prepared a 'photoshop image' to show the officers that the difference in depth was imperceptible and thus not harmful.

Unfortunately, CA officers can have very fixed views of the 'pattern book' approach they want to see. This meant making the first floor into 2 x 1-bedroom units and not 1 x 2-bedroom and 1 x 1-bedroom. However, instead of arguing the point over one unit, for the sake of the rest of the scheme, we took a commercial approach to 'bag' the consent.

Home and Dry

Finally, 8 weeks after submission, on the 27th February 2020, we obtained planning permission for the same number of units that had been refused some 9 months before. The previous refusal had merely laid the path toward success, but it doesn't hurt to have a thorough approach and build your case using the officer's report in order to get there. Q.

INSIDE THE NEW BUILDING SAFETY BILL.

JONATHAN MORE
Construction Lawyer
Fenwick Elliott

www.fenwickelliott.com

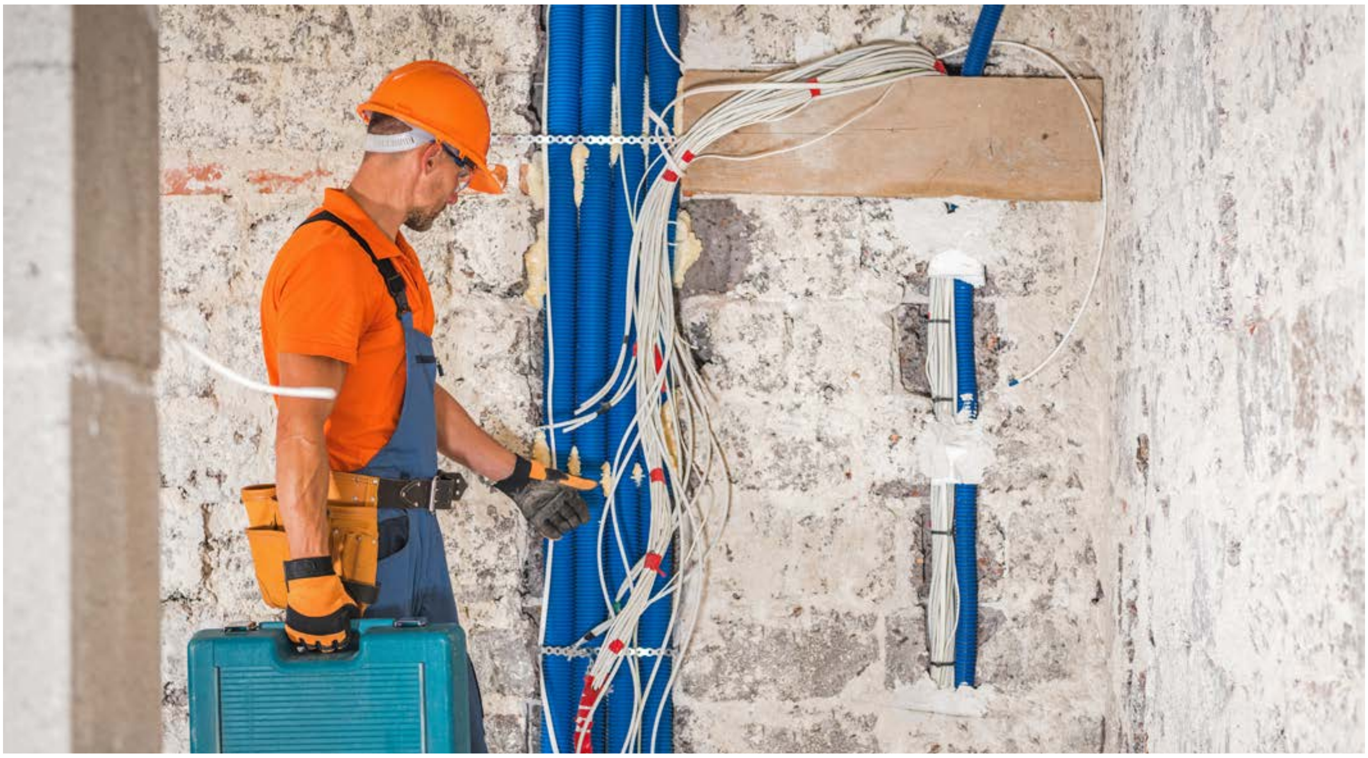
FENWICK ELLIOTT

So, I did tax last time, and this time it was a decision between new legislation or insurance. I sure am living the dream, but I am hopefully saving you all money on sleeping pills.

For our Qandor readers, however, I thought that some time spent on considering the contents and consequences of the new Building Safety Bill was more important. Particularly with construction management (anecdotally) becoming more prevalent e.g. the client takes the risk that a main contractor would ordinarily take in a traditional construction build, or design and build procurement model.

Legal Issue

The Government has put forward the new draft Building Safety Bill, which presents as the most radical legislative reform to building safety in decades, providing for (amongst other things) a new stricter regime for high rise buildings and a new Building Safety Regulator.



The Building Safety Bill, published in July 2020, is unlikely to come into force until 2021, and while legislation (nearly) always (!) takes time to be made into law, those involved in property and construction need to start preparing now. A lot of the detail in the bill, which aims to improve building and fire safety in higher-risk buildings, has been left to the regulations that will follow once parliament has passed the bill. However, some guidance can be considered now.

The Bill, designed to enact the recommendations in Dame Judith Hackitt's 2018 Building a Safer Future report following the 2017 Grenfell Tower fire, overhauls the building control regime for all multi-occupied residential buildings of a prescribed height, which is likely to be 18 metres above ground level or six storeys. Its key measures are as follows:

- A Building Safety Regulator: will sit within the Health and Safety Executive. The regulator will have wide-ranging duties and functions, including taking over the building control regime for higher-risk buildings, enforcing sanctions for non-compliance, improving the competence of those working on those buildings and overseeing the safety of those buildings in occupation. The regulator will be self-funded by way of a levy, but the level of those fees is left to be set in the subsequent regulations.
- Sanctions: the Bill provides clarity on the sanctions for breaches of the new regime:
  - » It extends prosecutions for contravention of building regulations from two years to 10 years and the requirement to correct non-compliant work from one year to 10 years.
  - » Compliance notices can be issued if there has been, or is likely to be, a breach of building regulations (as well as stop notices during the design and construction phase that require work to be halted until serious non-compliance is addressed, with penalties set for contraventions of either notice).
  - » Offences for giving false or misleading information to the regulator. The ➳

penalties include up to two years in prison, unlimited fines or both. In respect of offences committed, those in senior roles in companies can also be liable if an offence is committed with "their consent or connivance" or is attributable to their neglect.

One point discussed in the consultation that has not been brought in is a civil liability for breach of building regulations; this could be a missed opportunity for holding those in breach to account.

Duty holders

Like CDM regulations, the duty holders include the client, the principal designer at the design phase, the principal contractor in the construction phase and the accountable person (usually the owner) at the occupation stage. Duty holders will be required to submit key information to the Building Safety Regulator to demonstrate how the building, once built, will comply with the requirements of building regulations.

Gateways

There will be a "gateways" procedure if the Bill is passed:

- Gateway 1: planning application stage.
- Gateway 2: at the initial building control stage (akin to depositing full plans).
- Gateway 3: equivalent to the current completion/final certificate phase. All the prescribed documents and information (Hackitt's "golden thread" of information) must be handed over to the accountable person.

It is likely Gateway 3 will be linked to achieving practical completion by contract, and contract clauses that seek to allocate the time and cost risk of complying with the regulatory requirements. Consequently, practical completion will be linked to the prescribed information being provided, and clients are unlikely to waive this going forward.

Competence

The bill makes provision for regulations for competence of those taking on work that needs to comply with building regulations. This is not limited to work on higher-risk buildings. A guidance document will be issued in due course together with BSI standards. Companies should take steps now to put in place management of training processes and ensure staff are adequately trained in areas they work in. Clients will also have a duty to check the competence of those they instruct to undertake works.

Mandatory occurrence reporting system

It will be obligatory to report to the regulator any structural and fire safety occurrences that could cause a significant risk. Businesses will need to put in place internal processes to enable them to comply with their reporting obligations.

The legislation will also have implications for insurance, given the new duties and obligations under the new regime. The scope of appetite among insurers – and the consequential effect on prices – to cover those working on higher-risk buildings remains to be seen (it doesn't look fantastic at present!).

Summary

The long-awaited Building Safety Bill, which will introduce new and enhanced regulatory regimes for building safety in England and construction products throughout the UK, was described by Housing secretary Robert Jenrick as the "biggest change to our building safety regime for 40 years". Businesses will need to adapt (quickly) to ensure they are prepared.

The provisions contained in the draft Building Safety Bill provide complete regulatory overhaul and signal a new era in the way we build and the construction products we use.

Cultural change in the industry will be driven by significant new duties, governed by the HSE, for buildings in scope throughout their life cycle, and the mandated use of accurate digital models to maintain the 'golden thread' of building safety information.

The HSE will also gain important new responsibilities for the safety and performance of every building, regardless of height. It will oversee the performance of local authority building control and approved inspectors, advise on changes to the building regulations, and improve the competence of all involved in the building industry, including building inspectors.

Other government announcements

In addition to publication of the draft bill, the Government has also:

- announced that it will appoint an independent expert to review possible funding solutions to protect leaseholders from exposure to unaffordable costs arising from rectifying historic cladding defects;
- launched a consultation on implementing the recommendations of the Phase One report of the Grenfell Tower Inquiry; and,
- announced that full applications for the Building Safety Fund could be submitted from 31 July (no passed). Q.

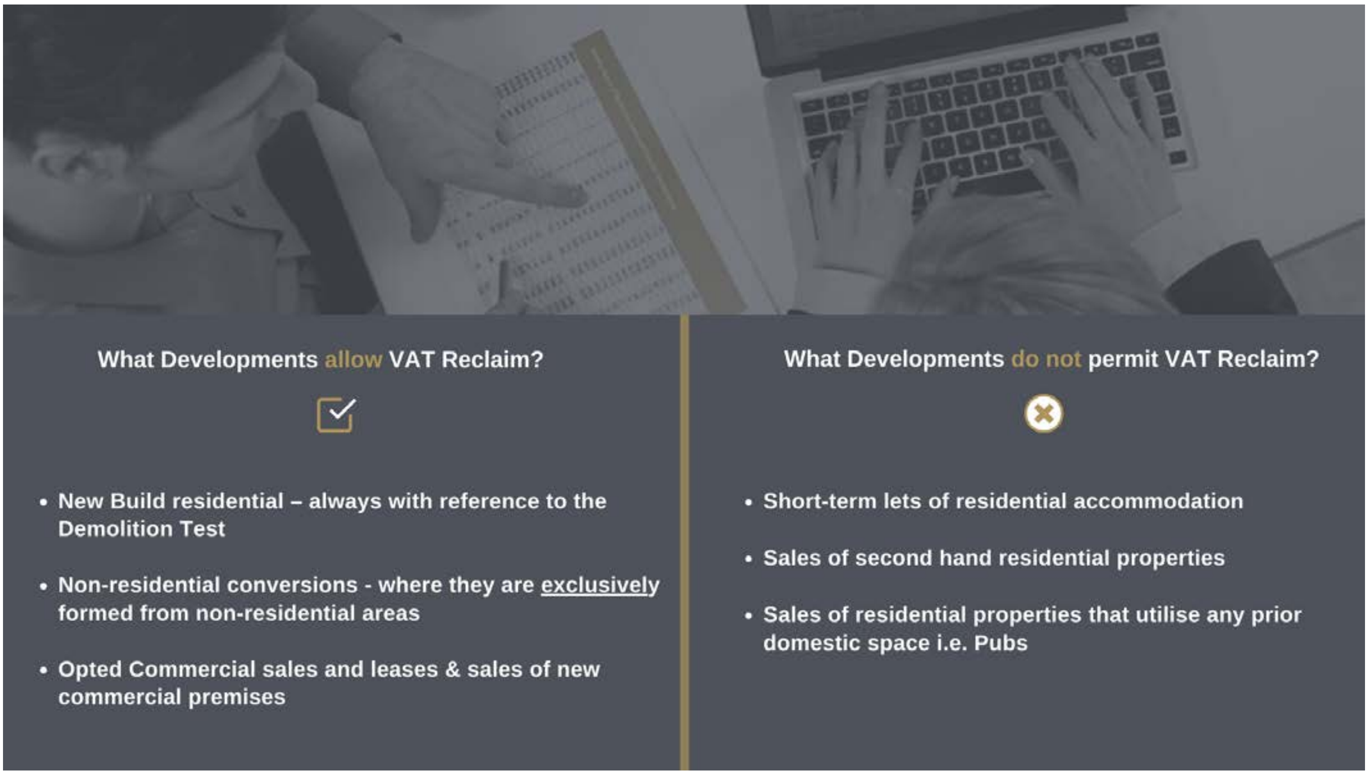
THE SPECTRE OF VAT CLAWBACK AND WHY IT CAN APPEAR AT THE WORST POINT IN A DEVELOPMENT.

SIMON MERRY
Founder & Director of Berthol Bauer VAT Consultants

www.bbvat.co.uk

VAT Reclaim is only permitted on Property Development when two key tests are met; firstly, that it is the right type of development, and, secondly, the development is put to the right use. In broad terms, this restricts VAT reclaim to new build residential schemes (or units created from non-residential space) that must then be sold.

That said, property development is a forward or future 'trade', and the VAT reclaim hinges on your intended use of the site upon completion. Where this intention changes from the 'right' type of use to the 'wrong' type of use - for example, an unforeseen short-term let instead of a planned sale – you are obliged to repay the initial VAT back to HMRC; commonly referred to as VAT Clawback.



How can it be mitigated?

In the current climate, it is hard to avoid unforeseen market conditions that may affect a site that is not due to complete for some months. What you can do, however, is to mitigate the VAT you pay in the first place, limiting the VAT you reclaim and thus minimising the VAT at risk should Clawback be sprung upon you.

VAT on acquisition

Not all sites are truly 'plus VAT' when you purchase:

- Sites with existing residential areas
- Site for intended conversion to residential
- TOGC's
- Sites falsely Opted by the Seller

Comment: Extreme care is required here as often this VAT is never reclaimable in the first place!

It would not be the first time a routine Clawback check by Customs has opened a pandora's box of incorrectly claimed VAT, and you can imagine trying to recoup it months or years later from the Vendor….

VAT on construction

VAT Relief is based upon the nature of the physical development and is largely unaffected by the use to which it is put. It is therefore a very risk averse strategy (with the cash-flow advantages to boot).

- Zero Rate for New Build Residential schemes
- 5% rate for Conversions, Change in Number and Empty properties

Professional Fees

Architects, Designers and Professionals are obliged to charge VAT at 20% irrespective as to the nature of the scheme. ➳

Using a Design and Build contract, however, amalgamates the fee into the Contractors valuations, effectively making them part of his Lower Rated Prelims.

Comment: A D&B style contract is also perfect for Build to Let schemes.

You are not permitted to reclaim any VAT on B2R schemes, so converting Standard Rated fees and materials into a Zero or Reduced rated D&B Contract has instant advantages.

Method of Payback

Fortunately, Clawback is rarely a 100% repayment and HMRC will accept any method that is 'fair and reasonable'. It is therefore in your interests to propose a method that is truly reflective of your (fluid) plans, yet is still the least painful course available.

Comment: smaller Developers and those not requiring the formality of Board Minutes often struggle to correctly document their original intention.

Where HMRC have doubt and you do not have documentary evidence in support – a 100% Clawback can be demanded.

What should you do?

Look at historic and current schemes first, and then schemes near completion

- Can you lay your hands on formal documents that prove your intention to completely dispose of the units upon completion?
- For commercial units, have you applied for an Option to Tax? You do not inherit an Option from the original Vendor.
- Where leases have occurred, notify HMRC instantly. Do the calculation in the background.
- Consider which units to rent, as Penthouses and larger units will have a disproportionate impact.

At the same time, check for other VAT that has been treated incorrectly; 'Blocked' fixtures and fittings, show home items, and of particular importance - Sub-Contractors and Trades who have lazily charged 20% VAT instead of 0% or 5%.

The default penalty for this type of mundane errors is the VAT plus 70% on top, yet unravelling them voluntarily removes the penalty in virtually all instances.

In summary, HMRC will allow VAT recovery only against certain types of development, as in the main property transactions do not support VAT recovery (whether you are VAT Registered or not). It is therefore unsurprising that VAT needs to be repaid if your plans for a site change.

Take advance advice from your Accountant or VAT Advisor to ensure repayments are known about in advance and incorporated into your financial modules.

Here at Berthold Bauer, the Property Team are happy to offer informal guidance as part of our Free Helpline Service, and I am always available to Qandor members for any VAT related property matter. Q.

Remortgage

In london

Whether you're looking to secure a better rate or release monies from your property or portfolio, we are here to assist you with your remortgage needs.

As the years have passed, the regulation when it comes to mortgages has changed dramatically and we find many clients are unsure what to do when their product deal ends or they want to raise capital for home improvements, a new property or any other reason. Do they have to stay with their current lender? Do they have to change lender? Can they even do it?

We will help you answer all of these questions by ensuring you get the most suitable and cost-effective product that suits your individual needs.

We will talk you through the different options, the costs involved and the timeframe, to ensure you don't incur unnecessary penalties. We will even review all of your protection needs to ensure you, your income, your home and your family are protected.

Contact us today

02071 902895

rachel.geddes@mab.org.uk

MAB 11138 10.20

Award-winning mortgage advice

Mortgage Advice Bureau

You may have to pay an early repayment charge to your existing lender if you remortgage.

Your home may be repossessed if you do not keep up repayments on your mortgage.

There may be a fee for mortgage advice. The actual amount you pay will depend upon your circumstances. The fee is up to 1% but a typical fee is 0.3% of the amount borrowed.

THREE THINGS YOU NEED TO KNOW WHEN INVESTING IN PEER-TO-PEER PROPERTY LENDING.

PAUL WATSON
Head of Origination
Blend Network

www.blendnetwork.com

The concept of P2P lending in itself is not new, yet its potential and reach has risen dramatically in the past few years thanks to a digital disruption that allows lenders to browse and invest in pre-vetted loans with just a click and manage their portfolio through an easy-to-use online dashboard.

Having emerged a decade ago as a so-called 'alternative investment product', P2P lending has now become a fully-fledged asset class in its own right, with a loyal investor base who have been wooed not only by the returns but also by the flexibility that this product offers. Indeed, the uniqueness of P2P lending as an asset class is that it blends personal finance and technology in a way hitherto unimaginable and takes the idea of 'democratization of personal finance' to new levels by allowing a wide range of different investors to co-invest together.

Using the right product

Put simply, P2P lending is like a sandwich: what matters is what is inside. The product that is inside P2P loans can be consumer loans, SME loans or property loans. Platforms such as Blend Network offer only property-secured loans because we believe this to be the best risk/reward part of the P2P lending market as all loans are secured against a first-charge on the property. In my sandwich analogy, we see property-secured loans as a hearty bacon sandwich! Lenders must be comfortable with the risk/reward of the loans 'in their P2P sandwich'.

Using the right platform

P2P lending is a tool that if used appropriately, can give investors access to great loans. However, different platforms offer different types of loans such as first charge property-secured, second charge, SME or consumer loans. For example, Blend Network only offers first charge property-secured loans.

Different platforms also differ in their features such as secondary markets, amount of information provided, user-friendly dashboards and onboarding journeys. For example, at Blend Network, we focus on providing all those features that make the lender's journey as smooth, secure and easy as possible by blending the best of technology and the best of one-on-one service.

Doing the right due diligence

Generally, there are 5 key steps to the due diligence done at Blend Network:

1. Meeting the borrower and visiting the site: Eyes tell more than balance sheets. By meeting the borrower and discussing the project, we can get a good understanding of whether the borrower can deliver the project they promise. We look at the borrower's experience and track record, their team's experience as well as their past projects.
2. Analysing the project: Part of the due diligence is ensuring the project stacks up. This includes things like assessing the local property market, supply and demand, rental market, and borrower's financials, including their assets, liabilities and credit history. This enables us to get a detailed picture and assess the project viability.
3. Analysing the exit strategy: Lenders obviously want to get repaid when the loan expires. So, a key part of the due diligence is to understand how the borrower plans to repay lenders. This may be selling the property or re-financing with another lender. If the exit is to sell, research on the local property market needs to be carried out to get comfortable with the borrower's ability to sell within the timeframe and the price they plan. If the exit is to refinance and hold the property as buy-to-let, research on the local rental market needs to be carried out to ensure we lend less than what the borrower can refinance at. Either way, a clear exit strategy always needs to be in place.
4. Ongoing monitoring: It is paramount that ongoing monitoring of the loan is carried out. This is in order to ensure that the project is progressing as expected, and if there are any issues, these issues are spotted in time to try address them as fast as possible.
5. Releasing funds in tranches: If funds are released upfront, there are a number of risks: that the borrower will use the funds to finance another project they are in trouble with or they waste the money and don't build as promised. Overall, there is less control over the use of the lent funds. That is why it is key that funds are released in tranches and a survey is done after each phase before releasing the next tranche.

In summary, lenders must do their own due diligence on the loans and on the platform before deciding to lend, but the above are some of the key things to know before lending. Q.


LOFT®
INTERIOR DESIGN,
ELEVATED
Established in 2003, LOFT® offers a seamless end-to-end design and supply service from project inception, through to completion, upkeep and replacement, for landlords and investors, agents and property managers.
The brand is renowned for providing products which balance style, durability and price point, together with a first class, next day delivery, assembly and installation service.
hello@loft.co.uk
03332 204 187

TOP 10 ITEMS ON A PROPERTY ENTREPRENEUR'S CHRISTMAS LIST: TIPS ON TAX AND ACCOUNTS.

HEATHER CUNNINNGHAM
Managing Director & Head of Proptech
Harold Sharp

www.proptechaccounts.co.uk

HAROLD SHARP

Yes, we know, a Covid Christmas just won't be the same. Who wants a small turkey and no Christmas party? But it's not all doom and gloom. I've put together a list of 10 things for you to consider from a financial perspective, to turn things to your advantage before the end of the year.

1. **Treat yourself to an electric car – and buy it in your company.**
   The benefit in kind associated with an electric vehicle provided to a director or employee is zero of the vehicle's list price. On 6 April 2021, this increases to 1% of the list price (and up to 2% from 6 April 2022). Up to 31 March

2021, the company qualifies for 100% first year capital allowances on the cost of a new and unused car which can be set against your taxable profit in full. There is no road fund licence payable for zero emission cars either. That's a nice Christmas present.

2. **Maximise your pension contributions**
   Pension contributions within the pension's annual allowance still benefit from full personal tax relief. How long this will continue is subject to much speculation. Review your pension allowance and carry forward position. You may have capacity to pay employer contributions to your pension from your company, in which case you will also save on your corporation tax bill for the accounting year the company makes contribution. And for those of you who "don't like pensions," remember that pensions can buy commercial property. Your pension can even buy commercial property from you or your company. This could be a way of achieving personal or corporate liquidity.

3. **Outsource your accounting and tax compliance**
   We believe that there are many opportunities to come out of this crisis – and, as Entrepreneurs, we've no doubt that you are already aware of that and ready to jump on deals. The last thing you want to do when opportunity comes your way is worry about the routine bookkeeping and compliance side of your business. Having someone there to just "deal with things" on the finance side – discussing structuring, liaising with your solicitors, sorting out options to tax, filing returns, reporting to your investors – can be invaluable. It will also leave you free to do what you do best. Explore whether outsourcing would work well for you.

4. **Crystallise latent gains on assets**
   Capital Gains Tax rates are set to increase – it's pretty inevitable, given the gap between income tax rates (up to 45%) and CGT rates (20% for directly held commercial property and 28% for residential). So, if an asset is not a long term hold, perhaps consider marketing now. Or perhaps gifting to your children, or transferring in to trust - without holding over gains.

5. **Gift or sell assets to the family whilst values are low**
   Are you worried about the long-term inheritance tax liabilities attached to your estate? And the risk that the ability to gift without an immediate lifetime inheritance tax charge may, at some stage, be removed by this government? Perhaps you hold direct property or shares in a private commercial property investment company and have seen the property values reduce. Arguably, property share valuations will now reflect significant discounts to net asset value, if the quoted real estate sector is anything to go by. Would now be a ➳

good time to gift or sell those holdings to your children?

Outright gifts of assets to family members (or others), incorporation/disincorporation of business, carving up of assets on divorce, “swaps” of commercial assets etc. will all typically involve CGT (or CT) based upon “open market values” of the assets involved at the dates of transfer.

Where asset values have fallen, these proposals can be substantially easier and more affordable (if not tax-free altogether, depending upon the current marketplace in those assets).

6. Consider settling a trust

Transfers of assets into trust, typically to be held there for the benefit of the next generation(s), can achieve a number of valuable objectives. When well-designed, the trust enables the older generation to keep control of the assets they want to pass down, to protect those assets from risks (e.g. matrimonial), and to put the value outside their estate for IHT purposes (avoiding a 40% charge on death). There is also the ability to holdover capital gains which would otherwise crystallise on the transfer of assets in to discretionary or life interest trusts. The trust may be subject to a small IHT charge every 10 years, depending on values at each 10 year anniversary, but even this is often capable of management.

We are, however, limited as to how much value we can inject into a trust in any 7 year period. Above a cumulative £325,000 (the value of our “nil rate band”), assets transferred into trust give rise to an unwelcome 20% lifetime

IHT charge. When asset values are low, however, it becomes easier to get more into the tax-free limit and still avoid the "entry charge". This works very well where those asset values are likely to recover in the short or medium term.

7. **Issue growth shares to family members**
   The use of growth shares, if properly structured, can have no immediate tax cost but a long term IHT benefit. You may consider changing your Articles of Association and issuing new share categories to your family, so that they can participate in part of the company's future growth.

8. **Sell subsidiaries with nil value to family members**
   Consider whether there is any potential for your company to simply sell subsidiaries with nil net assets to family members, pending future uplift, but be wary of any degrouping charge that could arise.

9. **Separate trading from investment**
   Review your property activities and make sure you keep companies undertaking trading activities under separate ownership from property investment companies. This will maximise your chance of benefiting from tax reliefs applied under certain circumstances to trading but not to investment or "mixed" companies and groups.

10. **Give generously**
    If you have made charitable donations under gift aid (all those donations to friends and colleagues for the latest charity challenges), then of course you can claim higher rate tax relief on your self-assessment tax return. And if – as may well be the case – you have not yet submitted your tax return for the tax year ended 5 April 2020, which is due for filing at the end of January, then you can relate gift aid donations made now back to the prior tax year on your return – reducing both the final payment balance and the payments on account bill. This might not be worth a lot, unless you are considering a substantial donation. By making it now you could potentially get a significant reduction to your January tax bill – both the balancing payment and the payment on account.

In this short article, we touch broadly on a few considerations to maximise your financial position before the end of the year. However, all tax advice is individual and needs to be tailored to your circumstances. To discuss your current situation in more detail, contact me at hc@haroldsharp.co.uk.

THE FIRST £100,000,000.

MICHAEL BRISTOW
CEO
CrowdProperty

www.crowdproperty.com

CROWDPROPERTY
together we build

As CrowdProperty breaks yet another record in funding, Qandor Magazine interviews Mike Bristow, its CEO, about the company and how the it came to be.

How did you get into property?

I started my career in management consultancy in the strategy space, advising major corporates & Private Equity funds on buyouts and corporate strategy. Alongside that career, I've been investing in property since 2002 and developed a huge passion for it. The market has changed significantly since then and my initial strategy of 'buy house, let it out, refinance, repeat' no longer stacks up as effectively – nowadays, 'buy, add value, refinance, repeat,' is the way forward. Over the years, I've grown my portfolio across differing strategies, levels of refurbishment, development, target tenant markets and geographies.

After completing an MBA at London Business School, with all that consulting, strategy and investment mindset alongside technology and scalable business insights, I was of the view that technology had a far greater part to play in the world's largest asset class. I therefore started investing in early-stage PropTech businesses (since before 'Prop' and 'Tech' had really been put together) and have now invested in 20+. I also sit on the Investment Committee of Europe's most active specialist PropTech venture capital fund (Pi Labs), so really living and breathing the PropTech coming of age and the brilliant, potentially world-leading PropTech businesses that are coming out of the UK and Europe in the sector.

I'm now bringing my consulting, private equity, venture capital, property and technology experience into CrowdProperty to build a world class business, with an incredible team of 32 passionate people and a shared mission and a great culture.

Hinton St George, Somerset Project

How and why did you form CrowdProperty?

CrowdProperty was set up in 2013 because we personally felt the pain of raising finance for our property projects through decades of investing in and developing property ourselves. So, we set ourselves the challenge of building the best SME property development lender in the market, serving the customer needs we intimately knew better.

Traditional sources of finance have failed quality property professionals looking to undertake quality property projects for years. Large housebuilders feel this pain less but there are a finite number of large sites in this country to develop. Therefore, SME housebuilders are critically important but housing output from this segment fell from one third of the UK output in 2008 to just 10% by 2017.

As a country, we need to unlock the power of entrepreneurial SME developers and whilst Government initiatives around planning and taxation help, by far the biggest barrier is funding, according to 42% of respondents from our SME developer survey last year (which was the largest ever undertaken amongst this community).

This is exactly where our deep expertise lies, where our focus has always been, and where there's greatest pain in the market. Having now built the best lender in the market, as property finance by property experts, we work in partnership with borrowers by adding value throughout their projects, and therefore deliver a better deal for all – our borrowers, our lenders, the under-supplied housing market and spend in the UK economy.

What were the main challenges, and how did you overcome then, when starting CrowdProperty?

As a former strategy consultant having worked with many businesses across many sectors, the most powerful critical success factor is always around building sustainable competitive advantage in the business model. We've done that in spades at CrowdProperty – building unique advantages in customer-centricity, value chain disruption, application of technology, data/analytics and deep expertise in exactly the asset class we're lending against.

This takes a great deal of time and effort but ultimately drives superior economics, tighter borrower due-diligence, closer (and collaborative) monitoring and stronger customer retention than anyone in the market. Financial services in general, and especially lending businesses, have never been famed for being built around the customer, so that's exactly what we did as we knew the pains intimately.

Growth of a lending business must then be built around quality, never succumbing to chasing growth, as it's at times like this that businesses fail because of exactly that. That's what drives the virtuous circle of growth over a 10, 20 and 30 year time horizon – you're only a lender if you get the money back (and property developers aren't the nation's favourite charities), which then attracts more and more capital from more and more sources, driving reliability of funding for customers.

Our 1,019% revenue growth over the last 3 years could have been greater, but that would not have enabled us to uniquely prove perfect reliability through this tough time and continue to uphold our 100% capital and interest payback track record as a lender of first resort.

What are the lessons learned so far?

CrowdProperty is run by property experts – we have incredible depth of understanding of the asset class and the pains that property

Wyndham Hall, Plymouth before

professionals face when organising finance for their projects. There are some in the alternative finance market that are first and foremost a peer-to-peer lending or investing platform, but the critical thing in lending is deep asset class expertise driving the very highest quality of underwriting and being the very best in the market on both sides of the marketplace.

Too many overlook this fundamental aspect and have rarely, if ever, visited a building site, and don't understand the pains, problems and risks sufficiently (which will result in plenty of platform failures in the sector). Our three co-founders have over 75 years' collective hands-on property investment and development experience, so fundamentally understand both intricate development risk and the fundamental needs of property developers.

We know, for example, that it's critically important to select the right projects as efficiently (enabled by technology) and effectively (enabled by expertise) as possible, that customers can get a better deal by delivering speed and certainty to vendors, and the best way to keep the site motivated is to release drawdowns swiftly, supported by market-leading speed of assessing and releasing drawdowns.

We also have a clear 'lender of first resort' positioning – disrupting traditional bank and non-bank sources of capital for the SME property professional market. We offer thoroughly market benchmarked and transparent 'total cost' pricing (in a market of opaque hidden fees) to attract direct applications (with an annual run-rate of ➳

£2.5bn), and then win that business with exceptional speed, service and expertise. Internal efficiency and value chain disruption then enables us to deliver inflation-smashing returns for our lenders of 7%-8%, safeguarded by The CrowdProperty Shield: rigorous due diligence, first-charge security and unparalleled property expertise.

What is the process for each project, from brief until the moment it gets funded?

Developers submit proposals at www.crowdproperty.com/apply in just 5 minutes. We've been able to simplify this initial application form to what we know gives us the critical information that we can interpret from, aided by market-leading data and analytics based on £3.7bn of applications to date. They will then be contacted by our Specialist Property Team to discuss the project in detail, expert to expert. If the project meets our requirements, a formal offer will be made (quickly).

Each project is approved by our Investment Committee before going live on the platform - we have a 57-step underwriting due-diligence process that has been built utilising our team's decades of experience and the knowledge acquired in the 6+ years of operating CrowdProperty.

All relevant information is presented to platform lenders 24 hours ahead of funding, to be used as part of the investors' due diligence – a detailed description of the project, exit strategy and financials alongside a borrower Q&A, which enables lenders to hear directly from borrowers on each and every project.

This transparency, in addition to the open and detailed statistics for all to see (on our award winning statistics page at www.crowdproperty.com/statistics) is vital to building the CrowdProperty trusted brand, which is a core pillar of our strategy, and results in projects being funded in minutes or seconds on the CrowdProperty platform by 12,000 retail / high net worth / ultra-high net worth investors, in addition to investment funds and global institutions active on our platform.

What is one of the most memorable projects funded through CrowdProperty?

We've now funded 230+ loans across 170+ projects and we get excited and passionate by each and every one, from a £90,000 facility for a project in Lechlade, Gloucestershire to a £3,000,000 facility for a project in St Albans.

However, it's not just about the sexy projects with great pictures – for us it's all about funding great people behind quality projects and enabling them to grow their property businesses quicker by saving them months on each project through working with the best lender in the business.

CrowdProperty recently reached the £100,000,000 milestone. Tell us more!

We've had quite a few milestone moments in the last 12 months – just this time last year, we announced £50,000,000 lent. In late October 2020, we surpassed the £100,000,000 lent milestone, having now funded c.£200m worth of property and c.£80m spend in the UK economy on labour, materials and services.

Most recently, we have proven to be uniquely reliable throughout COVID-19 as one of the only active development lenders, because of our diverse sources of capital and trusted brand from our track record through over 6 years of lending. We've proven a unique ability to fund appropriately, through the toughest of market cycles.

Furthermore, we have now repaid over £50,000,000 to investors, including over £15,000,000 during the more challenging sales/refinance market since lockdown, continuing that perfect track record.

Investor liquidity has been higher than ever at CrowdProperty, bucking the trend of all investment classes and the alternative finance sector, as retail and professional investors look for the yield, quality and security that CrowdProperty has proven over many years.

As such, we've set most of our funding records since lockdown – funding 60 projects since then, each in an average of less than one minute on the platform, with three in as little as 12 seconds (how do people type that quickly?!). All this is attracting more and more institutional sources of capital, which will be one driver of further growth (and providing the comfort for many investors that we've gone through months of institutional-grade due diligence many times), serving borrowers better and better.

What does the future look like for CrowdProperty?

CrowdProperty is the UK's leading specialist property project online lending platform and the future is very bright. We have built the best property project lender in the UK market but never rest on our laurels – we're working very hard behind the scenes on several exciting projects, which unfortunately we can't yet disclose the details of.

We're on a trajectory to continue growing as rapidly as we have done, underpinned by a very scalable, in-house built, proprietary technology platform and scalable capital sources, that will see the business unlock the potential for many more SME property developers in building more homes and spending more in the UK economy, lending hundreds of millions each year.

£200,000,000 won't be far away. Together we build. Q.

HOW IS THE RETAIL SECTOR FAIRING?

ANDREW MCDONALD
Director of Tandem Real Estate

www.tandemrealestate.co.uk

TANDEM REAL ESTATE

The last time I put pen to paper for the magazine, early this year, it was a rumination of 25 years in the commercial property market and a look back over the changes in the industry over that time. Most property professionals of my vintage will trot out the usual tropes of "having worked through a few cycles" or "I've seen a few recessions in my time". But I'll wager nothing that holds a candle to what we have witnessed through 2020.

The retail sector has been under close scrutiny over a number of years: the first time I heard predictions of its passing was somewhere around 1999 with the arrival of the internet and the onset of online trading. Loud types with strident opinions proclaimed its imminent decline; all the while, major shopping centres were springing up, occupied by the same two-dozen retailers up and down the country.

I will confess to becoming blasé at these doom-laden reports, although saying that in 2018 and 2019 it was increasingly apparent that a structural shift was well under way. This shift has accelerated through COVID and, as the current trope goes: "internet retailing has advanced by 5 years in a little over 5 months". A hefty set of defibrillators is required at this stage, and even then….

Encouraged by blunt, tenant-friendly measures introduced by the Chancellor, swathes of retailers withheld rental payments over the March, June and September quarter days. Those that could still well afford to pay, but didn't, were hidden neatly amongst the vast numbers that couldn't, and dire press headlines on the COVID pandemic provided them with their fig leaf.

Landlords have well and truly suffered, with a recent report suggesting over £2 billion of rent withheld over these last three quarter days. Cynics will say this is a policy designed to appeal to the man-on-the-street, with little sympathy for fat-cat developers and rapacious landlords. It is generally overlooked this is where people's pensions may reside, and retirees may well feel the pinch as this filters through to dividends and returns.

One of the first things I was taught as a graduate surveyor was that "nobody likes a bear". While this may be true and a positive refrain is the better way to conduct yourself in business, it is also important to adopt a sense of reality when dealing with large sums of money.

The retail property market is part-way through its restructuring, the consequences of which will be felt for quite some time. In the aftermath of the 2008 credit-crunch, prime retail yields actually sharpened with the buzz-phrase at the time being of a "flight to prime": cautious investors looking to park

their money in the best property assets in the best locations. Affluent market towns were flying.

This time around, there is no such comparable and, with the current flood of CVAs, with hand on heart it's difficult to predict which retailer will be the next to go or who is entirely immune. Sentiment has drained at an astonishing rate and Valuers are tied up in knots.

A number of the big Pension Funds 'gated' over lockdown, with the difficulty of valuation being cited as one reason (both for inspections and quantifying drops in value). The man on the street has been unable to withdraw money and, to be fair to the Funds, now is not the time to be doing so, with most assets coming off their price by a sizeable margin if facing a 'forced-sale'.

“In the aftermath of the 2008 credit-crunch, prime retail yields actually sharpened with the buzz-phrase at the time being of a “flight to prime”: cautious investors looking to park their money in the best property assets in the best locations.”

So, what does the future hold for the retail sector of the property market? In all truths, it is very difficult to predict, but it’s clear the road ahead is very rocky. Placing an accurate rental value on most shops now is pretty much guesswork. Nervous retailers will take advantage of their negotiating position and push for flexible leases, hefty capital contributions and extended rent-free periods. It remains to be seen whether turnover leases will be normalised. They will be far more prevalent, for sure.

This is all going to have a knock-on effect on landlords servicing their debt and banks will have to step in at some stage. What they do with these assets is questionable, though, as forfeiting and fire-selling will only lead to a crystallisation of losses, which at the moment are only on paper. Bad debts may well be rolled over for a while and an ostrich approach may be taken by lenders in a Zugzwang.

The shopping centre market has polarised with those assets in this sector capable of being ‘repurposed’ still finding favour. Those schemes in affluent locations where residential values are typically over £400 psf, and re-development possible, still sell well. On the flip side, a landlocked scheme in poorer towns with a declining tenant base can be considered more of a liability than an asset.

On a personal note, my commercial agency Tandem Real Estate recently made an offer on a shopping centre in an unfavoured south east of England location. This was on behalf of an Institutional Investor. The scheme, worth £40 million or so a few years back, is now at arguably 20% of that. Hampered by marginal town centre residential values, the constraints of a long leasehold interest and a primarily fashion line-up (not en vogue!), there is no clear route to profit and the income yield needed to accept these risks are deemed well into ‘double digits’. Our client’s offer is on the table and it remains to be seen if the vendor feels inclined to come back to us.

While shopping centres face undoubted challenges, the high street has issues of its own. There is still some life in neighbourhood retailing, convenience and service retailing and shop investments housing family businesses as tenants. Small lot sizes are in reach of private investors and the auctions are holding up. Where the high street struggles is in fragmented town centre ownerships.

Hardly any are under a single landlord, which promotes a coherent tenant mix policy and joined up approach to leasing. A prime example of this working is the Carnaby Estate and surrounding areas.

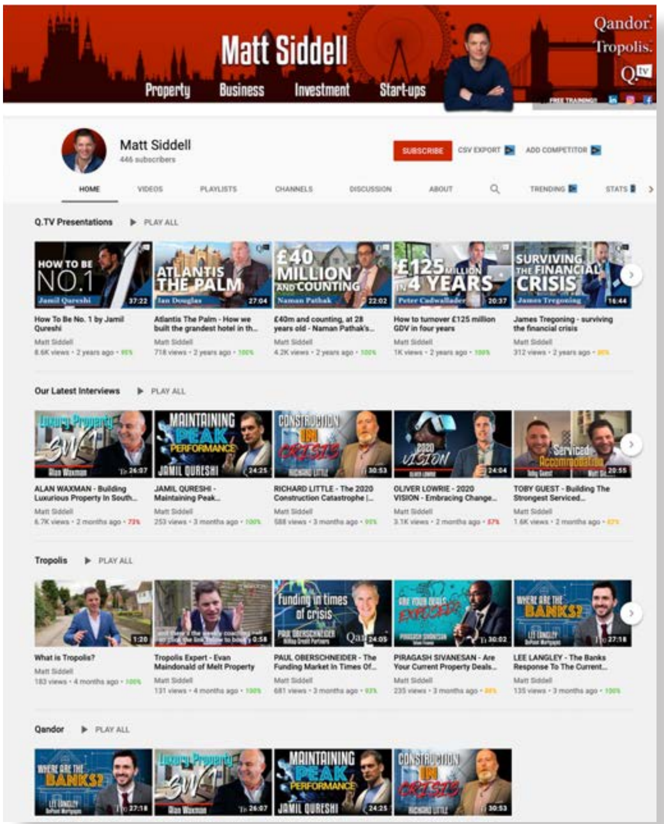
Under the expert stewardship of Shaftesbury Estates, a holistic leasing policy is possible and there is no race to the bottom, trying to land fish in a dwindling tenant pool. This cannot be said for a majority of high streets with tenants playing adjacent landlords off each other looking to secure the very best deal. It has been said for a long time, but our town centres need to become more 'experiential' as well as community based. I'm keen to see what initiatives pop up over the coming years to keep people interested in our town centres. It will interesting to look back in another 25 years to see how our high streets and retail offering has evolved.

So, where does this leave us? Well, developers have turned their gaze to retail for residential conversion and it's going to be fascinating to see how this market matures over the coming years. Planning is slowly turning in that direction and I can see no reason for it to abate. Community uses will be protected, but Boris' "Build, Build, Build" proclamation should neatly plug the gaps in town centres while killing two birds with one stone.

It is incumbent, of course, on developers to be wise here and provide the sort of homes that are going to be required in the aftermath of the current pandemic. Our way of living and working may be changing forever; I for one feel the nation's high streets have. On that note, I'm pleased to say Tandem Real Estate is at the latter stages of finalising our JV with an architectural practice to capitalise on these structural shifts within our town centres. We look forward to collaborating with the Qandor membership over the months and years ahead. Q.

WATCH MORE ON YOUTUBE.

As Qandor and Tropolis prepare for a busy post-summer period, Matt and the team are increasing their presence on YouTube, with a wide variety of content from past Q.TV presentations to interviews with facinating entrepreneurs and thought leaders. We are also soon going to be launching several new videos as part of an educational series to help people in property identify the best strategies they can adapt and harness to build their businesses. In doing so, we are ambitious in our belief that we will attract a high calibre of entrepreneurs and business owners looking to join either Qandor or Tropolis... or both! Click the link below to find out more.



WATCH NOW

Qandor Affiliates

Catax
Capital allowances

CrowdProperty
Crowdfunding

David Phillips
Interiors

Hilltop Credit Partners
Stretch senior funding

Keystone Law
Legal services

LOFT
Interiors

Lutron
Lighting & automation

Mortgage Advice Bureau
Mortgages & funding

Ocean Bathrooms
Bathrooms

OnPoint Mortgages
Mortgage brokerage

Wonderhatch
Creative Agency