

## FREE SEMINARS

Contact 020 8996 6700  
for further details

### July 2010

12-15:	<b>Bristol</b>	Rich Dad Education
20-22:	<b>South West</b>	Making Money from Property
20-22:	<b>Outer London</b>	Rich Dad Education
27-29:	<b>London</b>	Rich Dad Education
27-29:	<b>Bristol</b>	Making Money from Property
31:	<b>Heathrow</b>	Rich Dad Education

### August 2010

2-5:	<b>Scotland</b>	Rich Dad Education
3-7:	<b>London</b>	Building Wealth
10-12:	<b>Manchester</b>	Women in Wealth
14:	<b>Heathrow</b>	Rich Dad Education
17-21:	<b>London</b>	Rich Dad Stock
23-26:	<b>Leeds</b>	Rich Dad Education
24-28:	<b>Outer London</b>	Making Money from Property

### September 2010

31-3:	<b>London</b>	Making Money from Property
31-5:	<b>Milton Keynes</b>	Rich Dad Education

# Budget snippets for the Tigrent Student

**Lowering of small business tax: well this is good for the UK and will almost certainly help in our potential for new business. Capital gains tax: this was not as bad as expected, with the biggest increase going from 18% to 28%. This, however, was for high earners only, with the percentage remaining static for others.**

So here are a couple of thoughts on how to limit this burden:

- Again if we are creative we can see mechanisms around the scenario.
- Remember that if we owned something together, then as long as the property is in joint ownership, we should ensure that only one party should be a high earner.
- Look at when you sell off properties; if you are close to retirement and a high earner, then make sure you wait until you retire.
- Ensure that you dispose of assets on an annual basis to retain your eligibility to claim your capital allowance of £10,100 per person.

Other good news for property investors is in regard to the strategy of holiday lettings, with the previous tax break being reinstated, which is a significant tax relief for holiday let owners. Remember that qualification for this relief is:

- The property must be available for commercial letting as a holiday accommodation for a minimum of 140 days a year and let for at least 70 days.
- The property must be in the European Economic Area (EEA).
- The property must not be let to the same person for more than 31 days.

The main advantage of this relief is that owners can offset any trading losses against other income.



## ADVANCED UNIVERSITY 3 DAY TRAINING

I love that there are so many speakers and mentors involved who are all doing it and all started out just like me. I really believe I can do it too.

C. Searle 27<sup>th</sup> June 2010

# Rise in Buy to Let

Paragon Mortgages have reported that 21% of current landlords are planning on expanding their portfolios in the coming year.



## CREATIVE FINANCE 3 DAY TRAINING

Fantastic to have such knowledgeable trainers. Great energy in the room and it is really reassuring to see how Tigrent success stories then go on to share and give back. A philosophy that is definitely one to be proud of."

J. Wright 16<sup>th</sup> May 2010

## SOCIAL HOUSING 3 DAY TRAINING

Ben and George exceeded my expectations. The depth and wealth of experience of these two very likeable people made the course fun, informative and interactive. I feel certain that in today's market, Social Housing is a real success ... Tigrent introduced Lease Options before its time, now you have done it again with another great strategy.

Edward L. 6<sup>th</sup> June 2010

# Are we Property Investing and Developing?

**Do we want to make a living? Are we after some extra cash each month? Are we building our pension? Are we building a company? Or simply, are we trying to help the kids through college?**

The reasons why individuals buy extra property are ultimately personal. What everybody should do, however, is make sure that they set up, administer and develop whatever size or level of portfolio to their own strategic requirements. Once individuals establish a strategy they should then look at the many areas of property investing or developing to decide on what to do and where to go next.

If at school you decided to go into the media, the careers advisor would then have asked what aspect: TV, radio, newspapers, magazines etc. What most investors do not realise is that the same applies to property. Over the last few years many individuals have entered the property investing game. Most will have entered Buy to Let, and again most of these individuals would have bought a new build or off plan. Ultimately it is as good a place as any to start, but it is only popular because the developers

wanted it so and because third party companies can specialise in such areas offering so-called great discounts when buying through them.

So what area do you want to deal with? Do you want to diversify and look at different areas? Do you want to build a portfolio or manage a portfolio that has different properties, and if so will these limit potential downturns?

Looking simply at Buy to Let, we can begin to break it down further. Who therefore is the target audience, are we doing students lets, DSS, young professionals, families, corporate lets or even Holiday lets? The reason why you need to decide is that each area has different parameters; there can be different legal requirements, different cash requirements and even different tax issues.

Students can be great but will they pay all year round? If you have too many will the house need to be HMO registered and is the House set up for HMO? Do they want it furnished? If so does the furniture pass current legal requirements? If it is furnished, what tax breaks can you claim?

Students, DSS and HMO properties can provide good cash flow once initially set up, but remember, setting up legal HMO costs money. Many mortgage companies will not look at DSS and many insurance companies have restrictions on all three sets of tenants.

So instead we decide to rent out to young professionals, families and corporate lets. The houses or flats will have to be a higher standard to achieve the higher returns, ultimately higher valued properties hence greater initial costs, better quality furniture if required, so do we buy or rent the furniture? This strategy will cost far more to enter, the question that you need to answer is: will you get better returns? These returns may not be self-evident in the rents achieved, but there are hidden returns. Often the properties will have lower maintenance requirements, the tenants may be easier to deal with, possibly less transient tenants, lower void periods, guaranteed rents and paid on time. Remember though, that this is not always the case.

In all of the different Buy to Let strategies the one area that we all aim to avoid is tenant void periods, so in choosing your strategy or type of investment you must look at the supporting market. Remember that new build flats may be a great way to enter the market, but they may be initially difficult to rent if the whole complex was bought by investors, all trying to rent at the same time.

So what else? Investing abroad, commercial properties, purchase options, condominium hotels, or reversionary investments; the different options available to a property investor are wide and varied.

Now however, we could look at crossing over towards the world of a property developer. Many see investor/developer as the same, but again, certainly when speaking with the Inland Revenue, there are a number of key distinctions that can have expensive repercussions if not fully understood and put in place.

Strategically we can work both areas together; a developer will often be looking at selling off properties, taking the profits and reinvesting in further developments. As an individual you can work both markets by developing a property and then looking to keep within your portfolio as a Buy to Let. Could be that you re-mortgage and pull out the initial costs and some profit, whilst keeping the property rented out.

There are a vast array of strategies and techniques that developers will look at, from repossession, auctions, land, to modernisation projects, conversions or new builds.

Finally though, you need to look at the advantages and disadvantages for all the areas, but specifically you need to understand the financial implications of all your actions, whether from a cash flow, capital, short or long term plan, but especially from a tax perspective. All the different areas and strategies mentioned have different tax benefits. Learn to understand them so that you make the best use of your money.

## 3 DAY PROPERTY TRAINING COURSE

I can, I shall, I will! I am ready! I am no longer just imagining what I can achieve, but I am actually taking action to achieve it!

S. Tristram

In today's market it is obvious that the need to be a professional property investor is more apparent. I thought I knew what I was doing with my small portfolio built up over the last five years, but these were costing me money. Now I have learnt so much more and already this weekend has shown me a couple of simple solutions that will make me positive cash flow.

B. Thompson,  
Tigrent Basic course attendee

It's transformed our lives. We've never looked back. We've built up a portfolio of properties, and we're looking to carry on buying. It's a proven system ... and it's saved us an awful lot of money and time.

Mark & Debbie

All testimonials can be reviewed in the company offices if required.



## 3 DAY COURSES AND REFRESHER COURSES

### July 2010

16-18:	Manchester	Making Money from Property
16-18:	London	Rich Dad Education
23-25:	Birmingham	Rich Dad Stock

### August 2010

30-1:	Newcastle	Building Wealth
30-1:	London	Women in Wealth
6-8:	Bristol	Rich Dad Stock
6-8:	London	Business Success Systems
13-15:	Heathrow	Rich Dad Education
13-15:	Bristol	Making Money from Property
20-22:	London	Rich Dad Education

## ADVANCED TRAININGS

Held at permanent training facility in Richmond

### July 2010

9-11:	London	Lease Options
16-18:	London	Distressed Property
23-25:	London	Advanced University

### August 2010

2-4:	London	Forex Training
13-15:	London	Creative Finance

### September 2010

3-5:	London	Advanced University
14-16:	Norwich	Auctions Training
17-19:	London	Lease Options
24-26:	London	Buy to Let
27-29:	London	Master Trader

CONTACT: Rachel Haslegrave for advanced trainings on 020 8996 6744 or email: rachelhaslegrave@tigrent.com

# The Budget hits the top but what about the Hidden Costs?

**Yes, we all know that the country is in great debt, but what we see and what is under the surface is like an iceberg. The treasury puts our debt at almost 62% of the UK's GDP and although the recent emergency budget is aimed at lowering the debt, the reality is merely that it will slow it up. So why is that?**

Well the top of the iceberg is what we have sold in terms of government Bonds and savings certificates over the last few years to help out the government purse. It has paid for the running of the country and the continued development of the country. This debt can be understood; it can be quantified and it can be paid off, hopefully through the current fiscal policies that we must all endure.

This debt is just the visible part of the iceberg though, down below the waves are a couple of time bombs.

### **Greater healthcare and an ageing population.**

With healthcare, and with the baby-boom generation now showing up more in the surgeries, these costs are soaring, but nobody seems to understand how much this will grow by. Since we last reviewed the NI contributions and accounts of our health system we have seen life expectancy increase to 77.4 for men and 81.6 for women. This has been raised by over four years just in the last 20. But with a population increase in the same time frame as well, there is definitely a greater strain on the health service.

Even worse than this, however, is the pension deficit that we have spoken about in the past. We spoke about the pension scheme before in terms of public and state pensions, but did we realise then that the current figures are already showing a deficit.

The public sector pension pot is already running at over £3 billion a year in deficit. (In other words the current payments by public workers are not covering previous public sector's current pensions.) We must remember that, when the male state pension was established in 1926, three out of five males died before they could claim. Now with the current life expectancy the original calculations are ludicrously outdated. At present rates, we must address the fact that by 2050, there will be three people in their nineties for every newborn.

Our health service is wonderful; to increase the life expectancy of people is wonderful too, and the vast majority of the population have no issues whatsoever in paying for these services or the provision of an adequate state pension.

What we must understand though, is how we manage and pay for this so that we can keep it in the future without the system breaking the bank. So we must understand the level of ice under the surface and we must begin planning for the future, by understanding what the actual costs are and will be, so that we can pay for it in our future, since it will not be too long before we are fully active users ourselves.

We will all have to share in helping the country recover, it is our civic duty after all, but we should also make sure that we are not dependant on the government in the future. As much as we hope that the government will address the future, unfortunately they are pretty much tied up with the present. We therefore do not see this time bomb being defused, so please look at your own needs and requirements now before it is too late.