

pensions safe as houses



Invest in properties like this and your future security is in the bag!

In today's addled financial world it can be hard to know where to put your money – put it in a bank perhaps, in the hope said bank don't lose it all in some deranged pyramid/ponzi scheme? Push it all into stocks and shares maybe, in the hope that some rogue trader doesn't fritter it all away into his own account? Or invest in something solid possibly, such as property? Yes, property – the bricks and mortar of a solid financial future and a secure pension in deeply uncertain times.

That's what the experts at Platinum Property Partners (PPP), one of the UK's most successful property companies, believe anyway, and the uptake of their Portfolio Builder investment opportunity certainly suggests this could be the solution to long-term wealth that people are looking for.

Everyone is looking for security and, despite the recent downturn, long term property investment has proved to be one of the most secure wealth retention and creation vehicles available to us. You only have to look at The Times Rich List, where the largest single category for a number of years has been Property and Construction. Even when it's not their primary business, very wealthy individuals – such as Alan Sugar – usually have a significant portion of their wealth invested in property.

"The great thing about property is it's an asset you can kick," says Nick Carlile, co-founder of PPP, "It's tangible and, unlike shares, which can be wiped out overnight, property always retains some value."

Opportunity knocks

PPP was founded in 2007 by Nick and his business partner, Steve Bolton, both of whom

have built multi-million pound buy-to-let portfolios in the UK and invested in residential and commercial property in the UK and overseas for many years. Through 2009 there was a significant increase in the number of people looking to become passive investment partners, most of whom recognised PPP's Portfolio Builder as a very attractive alternative to the more traditional routes to pension provision.

For an investment comprising an upfront fee plus an amount of working capital, PPP builds and manages small portfolios on behalf of their investors, acquired at between 20% and 40% below their true market value*, taking all the stress and hassle out of building a strong financial future.

"Having invested in property as a 'sideline' for more than a decade, I realised how little I really knew about how to make money from the property business after learning from and working with PPP," says PPP Investment Partner Gerry Scannell, "Portfolio Builder is a great strategy that leverages the resources of time and money. It enables me to build for my family's future while still spending every valuable day with my six-year-old son."

Once built, the investor's portfolio will have a minimum of £80,000 equity, split 75%/25% between the investor and PPP so that both parties have 'skin in the game'. PPP is incentivised to buy the right properties and ensure they are rented with the minimum of voids.

The portfolios in question are currently in Barnsley, South Yorkshire, where Nick worked for many years as a quantity surveyor and where he has bought, sold and rented out properties all his life. It is a market he knows probably better

If you're looking to build a sound financial future for yourself and a pension you can rely on, then look no further than that old stalwart, property. MARK TRENT looks at PPP, an investment portfolio company ready to do all the work for you...

than anyone else and one where he has built solid relationships with industry professionals, which enables PPP to take advantage of the very best opportunities and structure great deals.

Peace of mind

Robin Lawrence, a psychiatrist practising in London's Harley Street, has already had one portfolio built for him by PPP and is starting a second. The first comprises four properties with a combined value of over £317,000 and equity of £81,000, and the portfolio was acquired at a discount of 25%. The monthly gross profit is around £600, but the real strength in the portfolio comes through leverage. Robin's only capital still invested is his fee, as all his working funds have been returned to him.

The 'exit strategy' is where property investing becomes really appealing as a pension pot, because you have invested into an almost certainly appreciating asset. It's recognised as so secure that you can leverage the bank's money and therefore benefit from periodical lump-sum returns through re-mortgaging without having to dispose of the property.

Predicting the growth of any property portfolio is difficult but, taking Robin's as an example and assuming annual growth of between 3% and 7%, over the next five years there should be between £50,470 and £127,609 additional equity in the portfolio. If you look at 10 years it could almost double in value, and when you look at a 20 year forecast, the value is likely to be around the million pound mark. So, for an investment around £30,000 it's hard to dispute the quality and viability of this kind of investment proposition.



PPP Founding Partners, Steve Bolton, Nick Carlile & Richard Davies