



Multi-millionaire founders (from L-R):
Steve Bolton, Nick Carlike and Richard Davies

Top marks

Maximise profits from property with **Platinum Property Partners**

IN TIMES of economic recession, maintaining good levels of cash flow in your business is more important than ever. Platinum Property Partners (PPP) is a unique franchise proposition, which offers an opportunity that's cash-positive from the outset.

The concept that 'standing on the shoulders of giants' is the most efficient route to success has been proven time and again, so it's no surprise that franchising, as a sector, has continued to flourish, even in these difficult times. PPP – the world's first, and currently only property investing franchise – is not only a prime example, but a market leader; having gone from start up to 40 active franchise partners (franchisees) in just two years.

The NatWest/bfa Franchising Survey 2009 reported that most franchisees can expect to break even by the end of year two. Unlike almost all other forms of buy to let investment, the PPP core business model generates such high levels of rental income that each property acquired by a PPP franchise partner is expected to be cash-positive to the tune of £1,000 plus per month, from the outset. This means their investments truly are assets from the start – servicing their own debt and providing profit on top – which will then bring additional, lump-sum returns and rewards in the medium to long term.

The founders of PPP, multi-millionaire property investors and entrepreneurs, Steve Bolton, Nick Carlike and Richard Davies, have invested in excess of half a billion pounds in property over the last 20 years, across 14 different countries, and have vast cumulative experience in residential, commercial, self-build, land and property development. Franchise partners are given personal, intensive initial one-to-one mentoring and then ongoing training and support in order to help them follow PPP's various systems and strategies. Steve, Nick and Richard have developed and refined the business models in building their own portfolios,

using strengths in different markets to maximise cash flow and capital growth.

Partly because of the reputations of the three founding partners and partly because of the undeniable high quality of its franchise proposition, PPP has been able to attract leading figures in their relative fields to become part of its 'power team', which offers coaching, mentoring and support to those within the franchise. This group of advisers and experts in the business, legal, financial and property spheres, includes individuals and organisations that it would be either impossible or prohibitively expensive for people outside the franchise to access.

Unlike most other franchises, the business assets (properties) are owned by PPP franchise partners and, because property is a constantly shifting market, the 'best' business strategy, ie, the franchise 'product' has to change along with it. The huge benefit of working with such experienced franchisors is that they are able to predict trends and opportunities, and can quickly adapt and roll out updated best practice and are able to offer their franchise partners a variety of investment strategies. The PPP franchise has also been designed to be flexible and non-exclusive, so franchise partners can operate their business from home, part-time or full-time, and are not only allowed to have other income streams, but are encouraged to do so.

Over the past twelve months, despite the ongoing economic recession and property market downturn, franchise partners have continued to grow and make excellent profits from their UK portfolios. The business models for maximising return on capital have proved both resilient and adaptable to the current global crisis, and many franchise partners are also experiencing elevated profits, thanks to the current low Bank of England base rate and its effect on repayments on tracker mortgages.

“The PPP franchise has been designed so franchise partners can operate their business from home, part-time or full-time.”



Manali Trivedi, investing in West Drayton, is making £1,700 a month pre-tax profit on one house in multiple occupation (HMO) and £1,800 on another, after the mortgage and all bills associated with the property have been paid. The rental income for properties let in this way – typically six rooms rented individually to working adults, rather than letting the whole property to just one family or to students – is significant, and provides an average yield of 14 per cent. Kim and Steve Thorogood, based in Cardiff, are making just over £2,500 a month from two HMOs. The relatively high outgoings for one property with a significant mortgage repayment is balanced by rental income of nearly £3,400 a month.

While profits have remained high for franchise partners, the huge changes in the mortgage lending market over the past year or so have meant greatly increased level of capital input is required to purchase and renovate a typical HMO. The founders have put a lot of extra time and resources into training and workshops, and some new strategies have been adopted to take advantage of the best opportunities currently available. Working with passive investors and taking control of a property by way of a lease, rather than buying it outright, are two examples of ways in which PPP is encouraging and helping franchise partners to conserve their capital and maximise returns.

To further help franchise partners accelerate the growth of their business and diversify their portfolios, PPP has also developed passive investment opportunities, which require capital input, but no time commitment. With Platinum Portfolio Builder, PPP turns an investment of around £27,000 (plus a variable amount of working capital, returned at the end of the project term) into significant equity by sourcing, acquiring and managing a small portfolio, which is bought at a minimum 25 per cent below current market value, verified by a RICS surveyor. Many franchise partners are already using PPP's systems for acquiring properties like this themselves, and achieving even higher discounts and returns through spending more time sourcing and negotiating deals.

There are other passive investment opportunities, including a loan scheme, which offers excellent returns and can provide extra income for high net worth individuals who

have significant amounts of capital in the bank or in under-performing investments; and overseas investment projects, available when and where market conditions offer sound and secure returns. These additional investment options are also available outside the franchise, to selected parties who are invited to join as passive investment partners.

All those involved with the franchise are not only driven to succeed in business, but also have a genuine desire to give back – whether that's in terms of money, time or sharing skills – and tend to approach life with a win-win attitude. PPP's holistic approach to business is reflected in the organisation's mission to 'Be more, do more, have more and give more'. It measures the contribution to others, and provides personal development workshops, books and other learning materials to help franchise partners set and achieve their goals.

Alex Ferretti is a nutritional therapist, who joined PPP as a foundation franchise partner: "The reason I joined the franchise was so that I could benefit from not only the great strategies and support provided on the property investment front, but also the continuous personal development opportunities offered to franchise partners, and the focus on health, balance and happiness. This holistic attitude to achieving freedom and success in life is something I had not come across before in any other company, and I can honestly say I am proud to be a part of this group of truly inspirational people." ■

Case Study: Neil Mansell, Franchise Partner, Chelmsford, Essex

- Started buying property in 2007, using PPP franchised methods
- Owns twelve properties, purchased and rented using the PPP system
- Portfolio value in excess of £3 million
- Generates an annual gross profit of £127,000 (after mortgage, bills, expenses, etc) from rental income alone
- Employs three staff, which frees Neil up from the day-to-day running of the business
- Now a PPP mentor to new franchise partners

Classification:
Professional services



Investment level:

£300,000 available equity
(£100,000 for passive options),
franchise fee £44,970 + VAT

WEBSITE:
www.platinumpropertypartners.net

EMAIL:
info@platinumpropertypartners.net

PHONE:
0845 293 2877