

19 October, 2009

**Buy-to-let is back in business**  
**– Investors should take advantage of lower house prices and**  
**increasing rental prices advises upad –**

As prices in the UK's residential property market appear to be bottoming out, James Davis, founder and CEO of **upad**, the UK's marketplace for property rental, believes the time is ripe for would-be buy-to-let landlords. He comments:

“The recession's detrimental effect on the housing market has resulted in people losing their faith in property as an investment. In contrast, the readjustment of prices makes this a good time to put money into residential lets.

“There are also signs that rental prices are on the increase – which means that investing in property makes sense both from the perspective of ongoing income and also long-term capital growth.”

Davis also refers to those people finding it harder than ever to get onto the property ladder. He adds: “For every one percent increase in incomes, there is an even greater increase in house prices, so more and more people are struggling to buy their first property. Rental demand therefore has the potential to increase at an exponential rate. But, he also issues a word of warning:

“Those looking to become a landlord shouldn't be complacent. They need to approach and treat this like a business. That means having a business plan, setting budgets, and not seeing it as a 'get rich quick' scheme. They also need to make sure that the 'product' they are offering is fit for purpose – today's tenants are demanding higher standards in properties than ever before.”

Davis also advises potential landlords to take into account the effect of the banking industry's pessimism. Mortgage lenders are asking for 20-30% deposits on rental properties, double the 10-15% typically required a year ago. Valuers are also likely to err on the side of caution, so people hoping to buy-to-let will help their case if they research how much similar properties in the area have sold for recently. Being armed with data will also help argue the case with lenders, and illustrate that this is a serious business proposition.

When it comes to selecting a property Davis says: “Potential landlords should make sure they select the right properties in the right areas – it is too easy to let personal taste influence choice, and then find that it is difficult to rent out because it won't meet rental demand.

“Having bought the right property, it is important to avoid void periods by ensuring that it is marketed properly. And once it is rented to suitable tenants, the best policy is often to work with them to make it appealing, and to increase the length of their tenancy.”

**upad** launched in October 2008, enabling landlords to advertise each property for a one-off cost of £59. The service then became available to the 1.5 million landlords across the UK in May 2009.

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### Notes to editors

**upad** (<http://www.upad.co.uk>) is the UK's marketplace for property rental. It is a free online service that connects renters to landlords to help them find their ideal property quickly and easily. Launched in October 2008 under the banner 'reinventing renting', the company's innovative approach is aimed at filling a gap in the property rental market.

**upad**'s website deploys bespoke state-of-the-art technology to overcome issues identified by renters such as out-of-date information and poor online experiences. In particular **upad** enables online searches that are interactive and intuitive to produce relevant properties.

Free to renters, **upad** costs landlords £59 per listing.

Read the **upad** blog at <http://www.upad.co.uk/blog/>, or follow **upad** on Twitter at <http://twitter.com/jamesATupad>, and the **upad** Rental Surgery on Facebook at <http://www.facebook.com/pages/UPAD/16196042214?ref=share>.

In September 2009, **upad** was shortlisted in the UK 2009 Tech Media Invest Top 100 list <http://www.guardian.co.uk/tech-media-invest-100/top-100>.

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