



Expert advice to lead you to
success in the property market

Property Investing

ALL-IN-ONE

FOR

DUMMIES[®]

Your Guide To:

- Rights and responsibilities
- Buying and renting overseas
- Taxation
- Renting out your property
- Property maintenance
- Buying and selling a property and much more ...

Edited by:

Melanie Bien

*Property writer and Associate Director
of Savills Private Finance*

A Reference for the Rest of Us![®]



UK Edition



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UK Edition

Property Investing All-In-One For Dummies[®], UK Edition

by Roy Barnhart, Colin Barrow, James Carey, Morris Carey, Robert Griswold, Gene Hamilton, Katie Hamilton, Jeff Howell, Tony Levene, Don R Prestly, and Jeff Strong
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About the Authors

Melanie Bien is associate director at independent mortgage broker Savills Private Finance. Before joining SPF at the end of 2004, she was personal finance editor and property writer on the *Independent on Sunday*. She has written about buy-to-let for a variety of national newspapers, magazines, and Web sites, and written several books and pamphlets to accompany television programmes on property makeovers and design, buying, renovating, and selling property.

Melanie also has first-hand experience of renting out property, owning, and managing six buy-to-let properties in conjunction with her brother and parents. She lives in East London.

Roy Barnhart is a lifelong do-it-yourselfer and former professional building and remodelling contractor. He enjoyed eight years as Senior Building and Remodelling Editor for two national home improvement magazines in the USA. As a freelance writer, editor, and consultant, Roy has contributed articles to more than a dozen home improvement magazines, including *Family Handyman* and *House Beautiful*. He has also contributed to four books.

Colin Barrow has an extensive background in European property and works across a diverse range of related industries. He has researched most international property markets and has first hand experience of

buying, building, developing, and selling over two hundred properties in overseas markets. He has written a score of books on property and other wealth creation matters including the best-selling *Starting a Business For Dummies*.

James and Morris Carey, known as the Carey Brothers, are experts on home building and renovation. They share their 20-plus years of experience as award-winning, licensed contractors with millions nationwide through a weekly radio programme in America, daily radio vignette, syndicated newspaper column, and comprehensive Web site (www.onthehouse.com), all titled 'On the House'. Morris and James continue to own and operate a successful home remodelling and construction firm, Carey Bros., and have been named to *Remodeling* magazine's Hall of Fame Big 50, which recognises top achievers in the industry. They've also been honoured as one of the nation's top 500 companies by *Qualified Remodeler* magazine.

Robert Griswold earned a Bachelors degree and two Masters degrees in real estate and related fields from the University of Southern California's School of Business.

Robert is a hands-on property manager with more than 20 years of practical experience, running Griswold Real Estate Management. He hosts a weekly radio show, and has written for the *Los Angeles Times*, *San Diego Union-Tribune*, and *San Francisco Chronicle*. He has twice been named the No. 1 Radio or Television Real Estate Journalist in the Country by the National Association of Real Estate Editors in the US.

Gene and Katie Hamilton have been working on houses and writing about home improvements for over 30 years. They've remodelled 14 houses and write a weekly newspaper column entitled 'Do It Yourself . . . Or Not?' which appears in newspapers across America and on Web sites. The Hamiltons are authors of 16 home improvement books, including *Home Improvement For Dummies*, *Carpentry For Dummies*, *Painting and Wallpapering For Dummies*, and *Plumbing For Dummies*. They're the founders of www.HouseNet.com.

Jeff Howell is a qualified bricklayer, university construction lecturer, and chartered surveyor, with 30 years' experience in the building industry. He writes about building and DIY for a variety of British newspapers, magazines, and construction trade journals, and appears regularly as a guest expert on TV and radio. His Web site is www.ask-jeff.co.uk.

Tony Levene is a member of The Guardian Jobs & Money team, writing on issues including investment and consumer rights as well as on taxation. He has been a financial journalist for nearly thirty years after a brief foray into teaching French to school children. Over his journalistic career, Tony has worked for newspapers including *The Sunday Times*, *Sunday Express*, *The Sun*, *Daily Star*, *Sunday Mirror*, and *Daily Express*. He has written seven previous books on money matters including *Investing For Dummies* and *Paying Less Tax For Dummies*. Tony lives in London with his wife Claudia, 'virtually grown up' children Zoe and Oliver, and cats Plato, Pandora, and Pascal.

Don R Prestly is a former senior editor for HANDY Magazine for The Handyman Club of America, as well as a former associate editor for Family Handyman

magazine. In addition to his nearly 20 years of writing and doing home improvement projects, he spent several years as a manager for one of the Midwest's largest home centres.

Donald Strachan is a journalist and copywriter. His articles have appeared in the *Sunday Telegraph*, *Independent on Sunday*, *Observer*, and *Sydney Morning Herald*, among others. He edited *Job Hunting and Career Change All-in-One For Dummies*, and co-authored *Frommer's The Balearics With Your Family* and *Frommer's Tuscany and Umbria With Your Family*.

Jeff Strong began creating sawdust at a very young age while helping his father, a master craftsman, build fine furniture. An accomplished woodworker, Jeff has designed and built countless pieces of furniture. He is the author of *Woodworking For Dummies*.

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Acquisitions, Editorial, and Media Development

Project Editor: Steve Edwards

Content Editor: Nicole Burnett

Commissioning Editor: Samantha Clapp

Compiled by: Donald Strachan

Text Splicer: Helen Heyes

Technical Editor: Tom Entwistle,
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Executive Editor: Jason Dunne

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Composition Services

Project Coordinator: Erin Smith

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Indexer: Ty Koontz **Publishing and Editorial for Consumer Dummies**

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Introduction

Hello! Welcome to *Property Investing All-in-One For Dummies*, your launch pad to realising your ambitions in the wonderful world of bricks and mortar. Buying a property is one of the most wallet-draining and stress-inducing things you're ever likely to do in life - and as a property investor you might go through the process more often than most - so the more clued up you are in advance, the better prepared you'll be when a great investment opportunity comes along.

About This Book

Property Investing All-in-One For Dummies gathers information on the key areas you need to be aware of as an investor - housebuying, finance, tax, renovation and property improvement, becoming a landlord, managing tenancies, making a profit, and the law. This book is your one-stop shop for information about taking on the property market and making sound investments through buying, selling, renting, and renovating. Think of this book as your first important investment.

We've written this book in a way that we hope you find useful, easy to work your way around, and fun to read. You'll wear many different hats as a property investor - researcher, buyer, advertiser, bookkeeper, handyman,

landlord, salesman, and others besides – and this book is overflowing with advice and information to help guide you along through all those roles.

Property Investing All-in-One For Dummies draws on information from these other For Dummies books (published by Wiley) that you can refer to for greater detail on the subjects we cover here:

- ✓ *Buying and Selling a Home For Dummies* (Melanie Bien)
- ✓ *Buying a Property in Eastern Europe For Dummies* (Colin Barrow)
- ✓ *DIY & Home Maintenance All-in-One For Dummies* (Jeff Howell)
- ✓ *Paying Less Tax 2006/2007 For Dummies* (Tony Levene)
- ✓ *Renting Out Your Property For Dummies* (Melanie Bien and Robert Griswold)

Conventions Used in This Book

To make your reading experience easier and to alert you to key words or points, we use certain conventions in this book:

- ✓ *Italics* introduces new terms, and explains what they mean.

- ✓ **Bold** text is used to show the action part of bulleted and numbered lists.
- ✓ Monofont is used to highlight Web addresses, showing you exactly what to type into your computer.

Foolish Assumptions

This book brings together the essential elements of knowledge that are essential for understanding the world of property investment. As a consequence, to keep the book down to a reasonable number of pages, we've made a few assumptions about you (we hope you don't mind!). Maybe you're someone who is:

- ✓ Harboursing great ambitions of becoming a property tycoon but have yet to take the first step
- ✓ Looking to rent out a second home but don't know where to look for advice
- ✓ Lured by the potential rewards of becoming a buy-to-let landlord but unaware of the legalities involved

If any (or all) of these assumptions accurately describe you, or if you just want to gain a better understanding of the world of property investment, you've come to the right place!

What You're Not to Read

You can read this book whichever way suits you best. You can go from cover to cover, or hop, skip, and jump through reading the sections that interest you the most. You can also glean plenty of information from this book without reading the sidebars (the grey boxes) – the detail in our sidebars is interesting but not crucial to understanding the rest of the book’s content.

How This Book Is Organised

We've divided *Property Investing All-in-One For Dummies* into six separate books, and this section explains what nuggets of information you'll find in them. Each book is broken into chapters tackling key aspects of property investing and the things you'll need to be aware of. The table of contents gives you more detail of what's in each chapter, and we've even included a cartoon at the start of each part, just to keep you smiling.

Book I: Housebuying Basics and the Law

Book I is the one most people will want to start with, and takes you down the long and winding road of buying a property to start with. This Book helps you navigate the tricky waters of viewing properties, making offers, buying at auction, and conveyancing, and takes a look at researching European property markets.

Book II: Finance, Tax, and How to Organise Them

Practically no-one escapes the tax inspector's net, and this Book is designed to help you get your taxes right as a property investor. Here you can also find help in working out which mortgages work best for you, and some handy hints about being a good recordkeeper.

Book III: Renovating a Property

Book III is primarily about carrying out work on your property yourself, but offers advice on when to consult the professionals, too. When undertaking serious renovation work, many things need to be considered. This Book shows you the way.