



## COMMENT

AIPP MANAGING DIRECTOR PETER ROBINSON

It was great to see so many NAEA & ARLA members attend our three, free, international property training sessions in late July at both Arbon & Clutha House. The AIPP presented a road-map for how to generate an incremental income from existing UK buyer and landlord databases and we were joined by Spanish developer representatives actively recruiting UK agents. Agents wanting to attend one of these free seminars this autumn should get in touch via our website – more on this later in the magazine.

The overseas property market is certainly hotting up, with perhaps many of those taking their summer holiday in much-frequented destinations pleasantly surprised at what they could now afford to buy there. Potential buyers may then attend one of the many international property exhibitions taking place in the UK this autumn or perhaps speak to a local agent – could this be you?

But with increased market activity so comes the increased potential for unscrupulous sellers and naive buyers to meet in a perfectly negative storm. With more than a million Brits now owning a foreign property, who will protect and guide the next million? I recently posed this question to the office of David Amess MP with a view to him sponsoring an APPG (All-Party Parliamentary Group) to assist our work in educating and protecting UK buyers. I am now pleased to inform we will be meeting MP's with an interest in consumer protection in a foreign property purchase on the 18 November in the Members Dining Room at the House of Commons.

The focus of this MP's meeting will be to highlight the key issues in the international property sector. The AIPP wishes to assist politicians with constituent enquiries and give guidance for those thinking of buying property abroad or in trouble having done so. The formation of an APPG gives an excellent platform to connect with MP's and policy makers and, through them, links into supranational bodies, such as the EU, and foreign government departments. You can read more about this in the news section of our website and also see the briefing document presented to David Amess MP's office. AIPP members wishing to attend this event at the House of Commons can email [admin@aipp.org.uk](mailto:admin@aipp.org.uk)



[www.aipp.org.uk](http://www.aipp.org.uk)

# SELLING DIRECT FOR FOREIGN PROPERTY DEVELOPERS

NAEA & ARLA Agents work their UK client databases to earn incremental foreign sales income by taking advantage of the latest AIPP foreign developer sales initiative.

It was my pleasure to welcome ten AIPP members to the UK in late July; well established Spanish property developers from the Costa Blanca and, through their trade association, Provia, introduce them to NAEA & ARLA agents in three structured sessions.

Spain and the Costa Blanca has been the number one location for Brits buying abroad for around 20 years – specifically holiday homes and retirement. So, with the international market picking up and prices rising in many destination locations, foreign developers are seeking UK agents to sell direct to British buyers, typically with a six per cent sales commission on offer.

For the NAEA, ARLA & AIPP agents present at these sessions the attraction was clear; against a backdrop of limited UK housing supply and pressure on domestic fees, how could they work their existing databases of clients & landlords to drive incremental income?

Getting the right selection of international property product is crucial, to offer widespread appeal, check provenance and ensure customer service levels are high quality in both buyer and destination markets. With this in mind, AIPP has worked with the ten Provia Spanish developers to create a portfolio offering for UK agents with prices ranging from just €70,000 up to €2m+.

AIPP has been firm in its insistence that only proven and experienced developers be involved in this programme. As such, the ten Costa Blanca developers participating in the AIPP programme have each been operating for between 30 and 52 years. This is supported by all appropriate due diligence around developers licenses and permits provided upfront to AIPP before presentation of developers to agents. This information is freely available to all agents in consideration of signing terms directly with Provia developers.

There were a total of 10,699 sales of property to the top six foreign nations buying in the Valencia region in 2013 (96 per cent were in the Costa Blanca) with the Brits leading the way with 23 per cent or 2,483 properties bought.

Sales to the UK are now rising, driven in part by a better £ to € conversion and a price per sqm around the €200 per sqm mark, down from €725 per sqm at the height of the property boom in 2007.

Local housing stock is now shrinking with developers once again building new units with the average price of a property on the Costa Blanca now ticking up to €125,234 – the first increase since 2008.

The AIPP foreign developer programme is also reaching out to another important market for the UK – Florida. We are currently in negotiations to bring a solid portfolio of Floridian property to UK agents later this year, led by Lennar Homes. Lennar is a NYSE listed company building 750,000+ homes in 18 US states over the last 60 years.

If you would like to find out more about selling foreign property direct from the developer then please contact me and I will see that you attend one of our free international property seminars around the country this autumn. Introductory sessions are taking place in the Midlands and London, so if you would like to get involved email me at [peter@aipp.org.uk](mailto:peter@aipp.org.uk).



**A Place in the Sun Live:** 3-5 October 2014 at the NEC Birmingham Property Investor and Homebuyer Show  
10-11 October at Excel London