

## ASC Small Business Guides

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# Common Mistakes...

## *For Property Developers to Avoid*

*This is a not a definitive “how to” bible for all your business finance needs. Its a quick guide to some of the most common areas of running a business, which can help you plan for financial investment using our expertise and prior experience.*



# 1

## Location, Location, Location

The golden rule with property. For any property which you are looking to purchase, develop and then sell on (or rent out), the location is vital. There is little point in building a fantastic property in an area where nobody wants to live.



# 2

## Failing to Plan, is Planning to Fail



With any property development, planning is the key to success. There are many things which need to be considered, including budgeting, time-scales, obtaining planning permission, carrying out surveys, carrying out the development work, arranging finance, and many more to name a few. Property development can be a complicated process – but it doesn't have to be. Make sure you have planned ahead and are in control.

# 3

## Overestimating the Value

With over 40 year's of experience in arranging finance for property developers, we at ASC have successfully arranged finance [for many different deals](#). We have also seen a fair share of clients who believe that the smallest amount of renovation will add millions in value to a property.



It is important to be realistic when determining the final value, of a development, otherwise you'll only be disappointed at the end.

# 4

## Underestimating the Costs

And in a similar way, developers can often assume that costs are going to be much lower than they turn out to be. It is important to be conservative in your estimations, and to ensure that you take into consideration any “hidden” costs, such as additional surveys, or delays. Adding in a contingency amount into the budget is good practice.

# 5

## Unrealistic Timescales



Development projects always tend to take longer than originally planned. Ensure that you've factored in the possibility of delays, and that you have built-in sufficient leeway for any unexpected interruptions which may occur.

# 6

## Running Out of Finance

Make sure you have the right finance in place. Each development is different and therefore might require a different type of finance. You may require the funds to be drawn in stages, or a specific re-payment plan. Either way don't leave anything to chance and [speak to the specialists](#). There is nothing worse than running out of finance and not being able to complete a project.



# 7

## Using the Wrong Builders



Make sure you know your builders! Make sure you can trust them, they are qualified for the job, and that they know what you want to achieve. If you have never worked with them before, ensure that you have done your research and they are the right people for the job.

If you are looking to carry out a property development, ASC can help you.

ASC Finance for Business helps businesses and entrepreneurs, throughout the UK obtain finance. With a network of over 20 regional offices nationwide, each office is run by an ASC Director who is dedicated to helping you achieve your goals, to obtain commercial finance or business loans which work for you. Our result oriented approach ensures we align our aims with yours and obtain the right finance for your business.

Having been established for over 40 years our track record speaks for itself, with thousands of business owners and entrepreneurs having benefitted from our service.

You can find out more about what we do on our [website](#), and follow us on social media:

