

# MY HMO ON FIRE

## DON'T YOU JUST LOVE TENANTS?

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**W**ell, loyal YPN subscribers, I thought I would share my recent experience with one of my properties. As we all know, it will never always go smoothly and there will be times where our tenants will test us, and March 2021 seemed to be the month of mishaps.

On a very early Tuesday morning at approximately 4am – I receive a call from a withheld number. Now, anyone with any property experience will know that a withheld number calling at 4am can only mean one thing ... bad news! Generally speaking, it will be either be:

- The police
- The fire brigades or
- The ambulance teams

Unfortunately for me, it was the fire brigade calling me informing me that there had been an incident at one of my properties. Apparently, a guest of a tenant (who was looking for the tenant), tried to set the building on fire by pouring petrol over the tenant's door and setting a light to it (also referred to as smoking them out)!

Luckily, I never scrimp on fire safety equipment and the fire alarm activated quickly and alerted the building of the issue, which allowed all residents to escape from the building without any casualties. However, it could have been a hell of a lot worse. Although I have referred to the title as an HMO on fire, it's actually six self-contained flats that have a communal entrance and hallway.

When the fire team entered the building, for everyone's safety they decided to force four out of the six doors, along with the property's front door, causing a fair amount of damage. The fire itself luckily was put out quite quickly, but left a fair amount of smoke damage to the communal areas. I would like to think that I was fairly lucky as this could have been a hell of a lot worse. All in all, I calculated that it would cost approximately £5,000 to bring the building back into habitable condition.

### How Did I Deal With This?

There could have been two ways that I could have dealt with this ...



## INSURANCE

**A lot of investors probably would have chosen to claim from their insurance company for the damage to the property. However, when I looked at this option, I would have to consider:**

- Time it would take to fill in applications, deal with loss adjusters, contractors etc
- Loss of rent whilst the insurance company deal with the claim
- Consider the excess on my policy
- Insurance in my policy over the coming years
- Time and costs to rehouse the tenants in the building

Having taken all the above in to consideration, I decided against this option. In order to keep the premium low on the block policy of my portfolio insurance, I raise the voluntary excess to £3,000 which means, the first £3,000 of damage, I would have to pay, and anything in excess would be covered by the insurance company.

I would only really consider claiming on larger claims of circa £5,000+ as by the time you have taken all the above list into consideration (ie loss of rent and time), I would be better off by getting on and doing the work.

This leads me on to what I actually went on to do!

## ROLLING YOUR SLEEVES UP AND GETTING ON WITH IT

Considering the event happened at around 4am, I made some calls first thing that morning and I then had my maintenance team in place for 8.30am the same day, who tackled the task and started the clean-up operation. By the end of the day of the event, we had achieved the following:

### MOST IMPORTANT TASK – EVICT THE TENANT WHO CAUSED THE ISSUE

If you still have a question which you would like answered in next month's article, please feel free to email me: [arsh@arshellahi.com](mailto:arsh@arshellahi.com) and I'll aim to answer as many as I can over the following months.

## CONTACT

As always, you can connect with me on my social feeds by finding me on:

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All doors that were damaged replaced and the residents had safe premises to return to

- Fire alarm was fully reactivated and melted sounders and detectors had been replaced and tested
- Pulled up all the carpets and started to wash down all the smoke damage
- Dealt with the fire officer who confirmed that they were happy for residents to return
- Dealt with the HMO officer from the council who was logging the details of the incident
- Press enquiries – not my favourite task

Within 72 hours, the property was pretty much like brand new, where all the doors had been painted, the hallway had been re-plastered. (Due to the fire, it had blown some of the plaster off the wall.)

Within a week, the property was redecorated, and carpeted. The tenants were very happy with how we dealt with situation especially by how quickly we reacted and also removed the tenant. So how did we do this?

We spoke to the police team and anti-social team who were all prepared to support our decision to remove the tenant given the recent incident for the safety of the other residents in the building. We then arranged a meeting with the problem tenant and gave him an incentive to leave that day! The incentive was the equivalent to a month's rent to act for a deposit for an alternative property. However, this offer was only valid for that day, and given the fact that he knew that someone was after him – after all they set his door on fire – he decided to take the offer and move on swiftly.

This was all legally documented to confirm that he decided to leave of his own free will and was not subject to any illegal eviction.

This alone sent a clear message to all residents in the building, that I will not tolerate any such behaviour. My prime concern is always tenant safety and my stance is, the moment jeopardises that, they can no longer remain a resident.

It was a pretty manic 24 hours, and certainly a testing time for any landlord.

