

# Belvoir Lettings

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## Belvoir Lettings sees good prospects for next five years

- Runs a network of more than 300 lettings and estate agencies, the second largest in the UK
- Interim revenues up 21% boosted by good performance from recent mortgage acquisitions
- Recurring revenue rising strongly
- Assisted acquisitions programme helping franchisees to acquire smaller rivals
- Boss Dorian Gonsalves optimistic about prospects for next 3-5 years

### How is it doing

An increased contribution from financial services helped revenues in 2018 rise by 21% to £13.7m.

Income from its franchises rose by 7.1%, which was well ahead of the property market overall, while a full year from Brook helped financial revenues jump by 20%.

As a result, underlying profits before tax will meet expectations with the progressive dividend policy to be maintained, Belvoir Lettings PLC (LON:BLV) said.

Dorian Gonsalves, chief executive, said the Assisted Acquisitions programme added network revenue of £6.9m, which was ahead of the £6.6m target for the year and over double that achieved in 2017.

Confirmation that the tenant fee ban will be introduced from next June has concentrated minds among the lettings agents.

Belvoir has expanded its operations in mortgages to provide an alternative source of income and this will reduce the impact to 3% of revenue after nine months.

### What the boss says

" The bottom line is people always need to move house and our fundamental job is to help them. People will always be moving regardless of what is going on politically and economically."

Video

### Inflection points

**Price:** 114.5p

**Market Cap:** £40M

### 1 Year Share Price Graph



### Share Information

**Code:** BLV

**Listing:** AIM

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>123.00p</b>	<b>85.00p</b>

**Sector:** Real Estate

**Website:** [www.belvoirlettings.com](http://www.belvoirlettings.com)

### Company Synopsis:

*Founded in 1995 and listed on AIM in 2012 (BLV. L), Belvoir began as a specialist franchised lettings agent and extended its services to encompass estate agency in 2014. Between 2015 and 2016, the Belvoir Group adopted a multi-brand strategy by acquiring the Newton Fallowell, Goodchilds and Northwood franchise networks.*

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June's introduction of a ban on tenant fees in June might be a negative for the sector but it clears the uncertainty

Similarly, Brexit has been a drag on property activity throughout London and the South-East

Activity elsewhere in the UK is holding up

Dividend payout is likely to rise with full year results

At 102p, yield is already 6.8%

### **Blue Sky**

Belvoir has expanded during the recent property downturn in property activity so in an upturn there should be substantial scope to boost earnings and revenue

Market leader Countrywide has had a torrid time and if it is forced to shed a substantial part of its network, Belvoir is a position to take advantage

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