

Hot property

Sacked by the country's biggest estate agent 20 years ago, Kevin Hollinrake co-founded York-based Hunters – now one of the UK's biggest independent agencies. Jane Cameron interviewed him.

On the face of it, he was fired from his role as area manager at the Prudential for not declaring his interests in a small video rental business he was running with a friend. In reality, Kevin Hollinrake was given the elbow in 1991 for speaking out against poor management decisions at a time when the Pru was haemorrhaging millions in the wake of the 1989 housing market crash.

He decided to set up Hunters Estate Agency in his home city of York with business associate John Waterhouse. In September this year, the company rocked the industry with the surprise acquisition of 90 branches of Countrywide's franchise business Bairstow Eves. This more than doubled its size and placed Hunters firmly on the national stage.

With a turnover of more than £20million, Hunters Property Group now has 90 agency staff and 700 franchisees operating from 140 locations throughout the UK, including London.

Of course it has been a very bumpy ride. Kevin, 48, explained what it was like setting up their first branch in Goodramgate in the same year as Black Wednesday: "We had an overdraft and very little hard cash. We painted our own walls and moved in ourselves.

"We decided to trade on a wing and a prayer without salary and empty windows. The first year was horrendously difficult, we were very close to the edge. I remember some cheques to the press were returned. We just kept going."

But the climate lifted quickly and by 1994, Hunters was able to open a second office and was joined by Kevin's older brother.

For the next 15 years, the trio enjoyed the tail wind of a housing boom, which saw them develop a strong presence in the north of England. They began to grow a franchise network and by 2007 had nearly 30 locations turning over £1million a year each.

Then came the 2008 property crash.

The recession that pulled many businesses under nearly took Hunters with it, in what Kevin describes as a perfect storm. They had just invested £1million in franchises, £500,000 in a commercial division, the same sum in mortgages and new homes, when sales transactions "fell off the cliff", dropping 70 per cent overnight. The group had to lay off more than 100 staff and close down ten locations, recording operating losses of £300,000 and much more in debt write-offs.

"It was a terrible time, without doubt the most difficult in my business career. We were just throwing weights out of the balloon until it rose again," recalls Kevin, father of four. "And then, as with '93, things turned round in an instant and miraculously the market picked up. Turnover was only 50 per cent down and in 2009 we were almost as profitable as in 2007."

One of the survival measures taken by Hunters was the radical offering to managers of closed branches the opportunity to become a Hunters Personal Estate Agent, a kind of satellite franchisee without an office. More than 30 signed up for the initiative, an industry first and one that attracted praise for its innovation.

Hunters, which now has five shareholders, only runs six of its own branches now. "We have learned a lot across the difficult years and are now able to roll out that model," says Kevin. "Franchising is totally the way to go. The customer wants to deal with somebody with experience in the open market. Hardly anyone leaves their own franchise, they are a market expert, committed to the client, but at the same time connected nationally with marketing, training and technology."

Technology is something Kevin confesses to be into, big time. His interest has stood



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"QUITE INTELLIGENT BUT QUITE LAZY" ...
Kevin (left) has come a long way since his school days, which he spent trying to think of easy ways to make money – in the end it was being fired and advice from his father that took him into property

The city of York, where Hunters first branch opened



him in good stead, as he says Hunters was the first UK estate agent to open a website in 1995 and the second agent to launch an App, for both Apple and Android earlier this year. This seems appropriate when 40 per cent of searches are now carried out on mobile internet.

But Kevin hasn't always been an estate agent. "The last refuge of the scoundrels?" he queries of the profession. He didn't know what to do when he left school, where he was "quite intelligent but quite lazy". He gave up Sheffield Polytechnic after 18 months. But he has had a burning question since adolescence: "I always wanted to find a really easy way to make money. In my late twenties, I realised there's no easy way – you just have to work very hard at it!"

His first job – besides helping with his

father's milk round from age seven and running his own window-cleaning round at 16 – was as a successful market trader of army surplus gear, followed by telephones. He laments that his first missed million was here, when he failed to recognise the potential of a mobile phone the size of a brick with a battery in a suitcase.

"I had a builder-buyer lined up, but it cost £300 which was my entire cash flow. It was a massive opportunity missed. But I lacked any kind of self-discipline. Every time we made a few quid, I spent it."

On the advice of his Dad, who said there was money in property, he got a job as a trainee valuer with a small York estate agency – and that's how his life as an estate agent began.

But Kevin's not just an estate agent. He

co-owns an IT company with the same school friend with whom he ran the notorious video rental business and may finally have stumbled on the answer to his youthful conundrum about fortunes. Three-year-old Vizzihome is a virtual and very profitable company offering much-valued market data to estate agents. IT engineers are outsourced and Kevin has little day-to-day involvement. Last year, its turnover was £1.2million.

"Have I found a way to make money easily?" he says. "If I were advising anyone else, I would definitely say go into technology because it finds ways to do things more easily, which can be presented as cost savings. Possibly."

He adds that he has a very exciting announcement to make in January.