MERGED TRANSCRIPTIONS: PEA WS 2 2024

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📋 INCLUDED FILES:

1. PEA 2024 - Workshop 02 - Session 1 - Transcription (12,768 words)

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3. PEA 2024 - Workshop 02 - Session 2 - Transcription (15,619 words)

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5. PEA 2024 - Workshop 02 - Session 3 - Transcription (14,450 words)

6. PEA 2024 - Workshop 02 - Session 3 - Transcription (14,450 words)

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📄 FILE 1: PEA 2024 - Workshop 02 - Session 1 - Transcription

📊 Words: 12,768 | Original: PEA 2024 - Workshop 02 - Session 1 - Transcription.docx

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Session 1\_Trasncription

[Speaker 6] (12:06 - 12:31)

Ladies and gents, if you could take your seats, please. Let's take our seats, please.

[Adam Goff] (12:42 - 13:50)

Take your seats, please, ladies and gents. Two-minute warning. Thank you.

Okay, ladies and gents, if you want to finish up those conversations now and take your seats, we're going to be starting in just under one minute, so really it's time to strap yourself in, say goodbye, sit down, ready to roll, 60 seconds.

[Speaker 4] (14:31 - 14:46)

Ladies and gentlemen, please welcome to the stage your head trainer, Mr. Adam Gough.

[Adam Goff] (14:53 - 23:35)

Good morning. Did we enjoy the networking? Steels, did we enjoy the networking?

It was literally like when I said networking, it was like a scared cat to the wall, like Rackhash. No! That was really good.

Good fun, wasn't it? Good fun. Because this is the new team.

This is the new family. This is the brother and sisterhood. This is PE.

This is it. It just seemed like the obvious thing to do. You're only strangers for so long now.

Hopefully, you're not strangers. We've basically got to about 80, 90% of people, so now you can just make an effort in the breaks, in lunch, to just go and say hello to that face that you haven't quite put a name to, right? That's really important.

Welcome to workshop two, the first workshop where it's just us. This is where the serious work starts to get done now. We're not playing for the first year.

It's no longer kindergarten. We're now at big school, so I hope you've got some new school shoes for the new school term. You're absolutely ready to roll.

First things first is phones. So phones. Someone, I'm not going to name him, gave a £20 fine last month to get up and give back because his phone went off, and I thought that was admirable.

That is pure leadership, quality, and exactly what we're all about at Property Entrepreneur. So it seems to me like it's set the standard now. We have our standards that we've all raised, and we're going to raise our standards with regards to phones.

So if your phone goes off or you need to use it in the session, then it is a £20 fine to get up and give back. Why not? Do we agree?

Let's go with this. A round of applause. Yeah, a round of applause for that.

Okay, we're all in agreement. Maybe I should put it a different way. Who doesn't agree with that?

Cool. So that's the standard. Okay, that's the standard.

I mean, people have stuff going on. What I suggest is if you're waiting on an emergency call from the babysitter like I know someone is today, it's on vibrate, you excuse yourself, or you give it to the back of the anchor, she can come let you know. Obviously, we live in the real world, but the point is that we don't want any distractions.

So once we say no to phones, we can say yes to the focus. The value of coming in, the reason why we do the live events is because, as we all know, this is where we actually get stuff done. We get away from our busy lives.

So we need to teleport ourselves out of that normal running on the treadmill life into the focus, working on a business. This is the thing that's going to get you the life and future of your dreams. So that's what it's all about.

So we want all in focus. Before we start, I want to make a quick announcement. So obviously, we had our second board session last night.

There's been a bit of a change to the board this year. And that is that there is a new board host. So I'd like to congratulate Josh, who's been appointed as a new board host for the year upcoming.

So well done, Josh. Congratulations. Well deserved.

Well earned. Josh is absolutely killing it. You're going to hear more from him later.

So let's get on with it. You know, the window of opportunity, we're ready to go. Let's get on with this.

As you've noticed behind me, the lighting is lovely and autumnal. We are going into autumn. As I said in the super event, it's no longer fifth gear.

It's third gear. It's like, well, I haven't quite done what I wanted to do. But if I don't clock back the revs now, I'm not going to be able to create the space to start building the car for next year's F1 season.

If I don't start getting reflective, I'm going to be doing my strategy day presentation on the train on the way up in January. And it's not going to mean anything to me. And I'm not going to make any progress because I never gave it.

I didn't plant the seeds in autumn that I'm going to reap next season. So this is where we plant the seeds. It's very important that if you are still at breakneck speed, you need to calm down and make your main focus in the mornings and in that spare time that you have potential on the weekends, introspection and reflection.

That's the most important thing, because we need to consider where we're up to. So who's made progress in cave time this month? Who struggled?

Leave your hands up. Yeah. Biggest struggle normally is I just can't find the time.

I can't get into it. Things are still going on. I talked about it a bit last night in Mastermind.

Recommendations are you have to go with a clear head. You have to have it in the diary and you have to go with no distractions. If you get all those things right, your subconscious will deliver.

But it might take a bit of time for you to get in the zone, in the flow. RE, the John Cleese video that I posted in the Circle app. A little bit of update for me.

I have been doing some work. I've been to Bali now. I was absolutely, as Josh said on Wednesday, shagged out after championship season.

Those people were there. It's a bit of an in-joke, but that is Josh's new thing apparently, shagged out. Exactly.

Weird, isn't it? It's another weird Josh saying, but he thinks it's okay. He says it and everyone laughs.

Anyway, I was pretty shagged out to be honest. Championship season was a lot. I always book a break in autumn because I need to have a bit of a clean reset.

Remember last year I went to Peru? I spent two weeks off the grid. This year, obviously, straight back to Bali.

I was back in the spa. I was on the beach. I was going to the gym.

I was eating clean. I was getting myself sorted. If you remember, I shared with you the long game and the importance of long game.

I promised I would do some work on it. Well, I finished my long game now. I've illustrated it.

It's got more detail. It's got pictures. It talks about me going in for another round professionally and really leveling up professionally.

It talks about me building my dream home in Bali. It talks about me going through the stages with Bella and right at the end, hopefully, having a baby. Absolutely, yes.

That was the year of that year, actually, yes. That's fantastic. I'm really excited about that.

I've updated this template for you. We're going to share it with you. We've branded up long game so you'll get this new version of the long game template because it's just another level up that we've delivered for you.

That's really great. Everyone's got to have that clarity. It's really difficult, but it's great.

I think just a sentiment as we go through all this, which is whatever you decide to do in business is going to determine your life. If you decide to go all out in business, hell for leather, working seven days a week, then it's going to affect your personal life. We need to make these decisions strategically and with a good level of self-awareness, the romance versus the reality when we're setting all these targets.

The worst thing we could do is have it not congruent together. It really needs to all fit together. That's why we look at what we want personally and what we want professionally because they all have to hang together.

Today, we're going to be building on your cave time. It's all about strategy sessions because we're going to take it into the business area now. We've spent quite a lot of time looking at ourselves personally.

It's been a personal development month. Now, we're going to start talking about the business. We do this with strategy sessions, which is why the workshop is called that.

Today's workshop, session one, is for those people that have done advanced before, this is going to be a different style, by the way. I won't say too much, but it will definitely be a different style, a different feel to it. You can probably already sense that from the way we're doing things today.

The most important thing is, from a business perspective, is that we are leaders whether we like it or not. We need to determine the direction of travel. We have to sit down with our team and work that out.

The way we do it is with headline strategy. That's going to be session one so we can get you set up, going on that, and fully motivated and into it. Session two, we know one of our mantras is to observe the masses and do the opposite.

It's all about being really strategically positioned in the marketplace. Session two is going to be on that. We're going to have a guest speaker coming in to specifically talk about how you could do that in the property space.

Someone who's been very successful, very well known in the industry is coming in to give us a session on that. Session three, we know the power of KPIs. Today, we're going to have some serious KPI work, just to let you know.

KPI is what it's all about, but we have one specifically for wealth to do with the financial fortress. Josh is going to be delivering a session to help us get to know our number, the number we need to judge ourselves in terms of wealth. Are we where we need to be?

When are we going to get there? That is going to be an absolutely banging session. I'm not even going to talk anymore, which is different for me.

I'm just going to get straight on with it and introduce Mr. Daniel Hill to the stage, please, ladies and gents. Let's give him a big hand.

[Daniel Hill] (23:37 - 33:48)

Thank you very much. Lovely. How are we advanced?

All good? Excellent. We're very much in the autumn now.

Remember, these 12 weeks used well will fundamentally define what the next 12 months looks like for you. We can't bang this drum enough that life by design is a privilege. We're entrepreneurs, we're independent, we have that freedom.

That on its own is a huge benefit in life, but to have the conscious awareness and the ability and the opportunity to actually go out and create our life by design is an absolute privilege. We want to make sure that you make the most of it. Work that's coming around.

What I'm going to share with you in this short session is for the last 10 years, we have focused on driving you forward from a personal development sense in your businesses and your personal lives as much as we can. There's three core pillars to that. There's only three core pillars, three core values that we have, which is our wealth, our health, and our life by design.

For the last 10 years, we focused energy on effort, wealth, financial fortress, health with get up and give back, life by design with the 12-month blueprint and methodology, but we've never really been able to calibrate where we are. If I was to ask you now on those three pillars to rate yourself, where you think you are on your financial independence, your general weight and wellbeing and health, and your actual life by design that you're living and experiencing, you'd probably subjectively be able to give us an idea of roughly where you think you are. What we've done this year moving forward, which will take us into the next decade, is calibrate each of these.

By the end of today, you're going to know exactly down to the granular detail where you are against each of those. Then going into 2024, we're going to use them to enable you to progress. You've got a really clear picture where you are, where you want to get to, and how you progress.

The first is wealth. For each of these KPIs, which is now going to define where you are on your journey as a property entrepreneur, wealth is the top, the KPI that we're going to use is the same top of the mountain for every single person in the room. It doesn't matter if your outgoings are 30 grand a year or they're 30 grand a month.

You're going to have exactly the same KPI. The KPI that we're going to use for wealth is about financial independence, because really, if you're going to be self-employed, and you're going to employ people, and you're going to do deals, and you're going to take on risk, and you're going to take on stress, you want that to give you something. The aim of the game, the only aim of the game is not survival in business, it's financial independence.

What this means, by definition, financial independence is different to financial freedom. Financial freedom is going from being employed to being self-employed. Going from having a job to being an entrepreneur, that's financial freedom.

It means you can make money and you don't have to work for the corporate. Financial independence is very different. Financial independence is the next step, which is what wealth is all about.

What it means is you could stop working today because you choose to, the business goes bust, you or someone in your family has a serious health issue or something that you can note that stops you from actually doing your business. Financial independence means that when you stop, your income doesn't. This is the definition of financial independence.

What else do I call it when we talk about, and I've done podcasts on it, when we talk about that concept of having that money that comes in every month without fail? 100%. This is what financial independence is, is living off the steam.

The KPI that will rate where you are in financial independence is what percentage of your annual outgoings are covered by steam that comes off of the assets that you own. The T and the assets, the financial fortress is things like, and we'll be doing this in session three, is single lets, commercial, blocks of flats leased out, HMOs on five-year leases to operators. They're those low-risk, boring assets, vanilla assets.

They give us the steam. The first number, which we'll look at at the end of the day, is what percentage of your annual outgoings are covered by the steam from those assets. This will give you your percentage of wealth.

Obviously, the first port of call is to get to 100%. When the day comes, when you want to tap the button, like I did in the pandemic, sold Multilet. They went from having a multi-million pound national company, didn't want to do it anymore, got sick of it, tapped the button, sold it.

All that happened was I stopped drawing money from Multilet and I started drawing money from my financial fortress because I had 100% plus coverage of living off the steam. This is the first number. In session three, we're going to go through it.

There's two ways to achieve it. Who can tell me what the two ways to get this to 100% are? The first?

Absolutely, which is the less obvious of the two. The first is to actually reduce your outgoings. If your current outgoings are 50 grand a year or 100 grand a year, the second one is to increase your steam off your assets, increase your financial independence by buying more assets or paying down debt.

The second is actually to reduce your outgoings. If you can go from 100K a year to 50K a year, 100 to 80 and bring it up, you'll get to that 100% a lot quicker. Then when you get to 100%, every extra deal that you do that has more steam coming off it, so you're at say 120% coverage, you can then increase your outgoings by 10% or 15% or 20%, wherever you want to get to.

That's the first KPI. By the end of today, you'll know how to calculate that. By the time you come next month, you'll know out of that journey of one to 100, exactly where you are.

Then obviously for next year, we'll be planning how we're going to get there. The second is health. There's a million metrics for health, right?

How we look, how we feel, what we weigh, what we can lift, what we eat, what we do, a million different things. What we're looking at specifically with health, again, is the top of the mountain. What's the one number that fundamentally applies to everybody?

It doesn't matter whether you're on cardio or muscle building or weight loss or vegan or whatever diet, nutrition, training plan you're on, what's the ultimate top of the mountain? The ultimate top of the mountain is how long are you going to live and what's your quality of living going to be, regardless of all the things that you want to do. This is what we call the metabolic age.

Your metabolic age is a test. You can do it in a range of different ways. In session two, we're going to set you up to do yours.

What it calculates is basically based on where you are physically, what your metabolic age is, which is the way that you process energy and calories and the way that your body works, against what it should be for your age. Obviously, the aim of the game is that your metabolic age, which is how old your body is, is either equal to or less than your actual age. Then obviously, if your actual age is 60, but your metabolic age is 45, it's a fantastic position to be in.

We can all go around telling everyone we're 45. That's going to be your metabolic age. That's the second number.

Everything that you do in health, what you eat, what you drink, how you sleep, how you train, will point towards getting this number down compared to the other one. Then the final one is life by design, which is obviously the hardest one. How do you even go about calibrating what the quality of your life is?

Because it's so individual, it's so subjective, how do we calibrate it? What we've done here is found a way to rate all of the different elements that could contribute to it. Based on your opinion, which is a really important part of it, what it defines your quality of life as.

The key part for this is what it means to you. We might say it's really important to have a low volume of tracked working hours during the week. Well, for someone like me that's trying to slow down, that would actually be quite important.

Actually, for somebody who's trying to speed up, they would be less important in that. They would actually want more. A low work-life balance and maximum work, for me 15 years ago, would have been a great thing.

Whereas now, it's not really serving me. The way that we calculate quality of life is based on how happy you are with various things, a number of categories, how happy you are with each individual element, and it will give you a score. The score will range from poor up to world-class, and it will give you an overall score as to the quality of your life that you're experiencing against what you want it to be.

It'll itemise the areas that you're doing really well in, and it'll itemise the areas that you can pay more attention to. With this clarity, and this detail, and these stats, and these KPIs, going into next year at this advanced level, you can calibrate every single one of them. We'll know where we are now, between now and January, we'll decide where we want to get to.

In January, you'll stand up in your Strategy Day presentation with this image and say, this is where I am now, this is where I want to get to, and then obviously at the end of the year, we'll be able to see you started here and you ended here. I'm going to hand back over to Adam, and he's going to take you through the first of the three KPIs. Health, we're going to do in session two.

Wealth, we're going to do in session three. Now, we're going to do life by design. Can we give Adam a round of applause, please?

Cheers.

[Adam Goff] (33:54 - 38:15)

How good is this? How good is this? The penny's dropping like, oh, wow.

Did they just quantify that? Yeah, we did. I say we did, Dan did.

We have designed this very, this brand new, unique to us scorecard. We've used ScoreApp, and it's going to give you the quality of life score that Dan has introduced us to. We're going to do this now.

This is what the first session, we're going to go through all three of these through the day. This is what the first session's going to be about. I'm going to ask Dex to put some music on in a second.

Everybody's going to do this now, by the way, so you are allowed to get your laptop out or your phone, depending on what you want. This, the important thing about this, ladies and gents, before you answer these questions, and before I give you the QR code, is you can see what we've written behind us. It's your own race at your own pace.

We've said it for a number of years that really isn't about biggest and baddest equals best. It's really what is right for you. It's your life.

You choose how you spend it. There is no life by comparison in this room. There is no ego.

There is no right and wrong, only other than what you want. Dan and I are there on his examples, two very, very different styles of life by design, both pretty good. Both good because it's both what we want.

If you turn to the workbook, and it's in the first few pages, there is a life by design page there. You can scan the QR code. We'll take you through the questions now.

You're going to have no more than 10 minutes. It shouldn't take you that long, even though there's 50 questions. Don't overthink a question.

Don't spend minutes on a question, but equally take the time and consideration to really think about the answer because if you give yourself 10 for everything without thinking, that might not be you that's answering. It might be your ego. That's what I'm going to say.

Don't let your ego answer the questions. Off we go. Just take your time, ladies and gents.

Just take your time.

[Speaker 3] (45:36 - 46:38)

So Okay.

[Adam Goff] (46:38 - 51:31)

When you have done it, just make sure you put your phone down. Please do not talk, Ashley. Okay.

If you're not done, just raise your hand. Okay. No worries.

Don't worry. Minute or so. Definitely don't rush them.

We're all in this together. So Okay. We're going to wrap it up there.

So we'll cut the music. So I think if everyone could put their phones down now, please shut their laptops. Let's get back in the room.

No distractions. Thank you. You can write down your score in your workbook.

We're going to actually swap your workbooks out. We've got an updated workbook for you that's even better. So we're going to swap that out now.

So ignore Josh and Bianca who are just going to swap those out for you. So if you have written down your score, obviously you'll have to write it down again, but it shouldn't affect you too much. Feel free to keep the old version if you've made notes in it.

So listen, I just want to say to everybody, amazing. Like people were really thinking that through. My fear was that everyone would just whiz through it and let their ego answer.

And genuinely, I don't think anyone finished before about eight or nine minutes. So that was like, seriously, well done. So let's give everyone a round of applause for that.

That was awesome. I loved it. Literally loved it.

So what I'm going to say is, obviously, it's quite personal, isn't it this? And you know, you don't always necessarily want people to see your scores. This is not a competition about who's got the best life, right?

Because the person with the ego is just going to like answer 10 for everything and think he's won. All right. But that's not the point of this.

The point is to be really honest with yourself about where you are in those areas. And then if you've scored low, that's an opportunity to make massive changes. If you've got it all figured out, why are you here?

Why are you here? Yeah. For those people that have scored a very, very high score, my challenge to you would actually be to do it again and probably again.

And be because you're one of those people. I've been through coaching on this. I had to answer a similar scorecard.

And I would just give myself 10 out of 10 for everything all the time. That's what I mean. It's like ego.

It's like, if you are me, that person, then you need to do some work. Your work is, well, you're bullshitting yourself. You know, you've created an armour around yourself.

And you think you're amazing. And you know, potentially you're not. So anyway, that's my closing sentiment.

Doesn't matter where you've scored. The last thing I want to say is, obviously, there are categories. Basically, 90 plus is world class.

So when you can work it up to that point, you're going to get world class. And it goes down in increments of 10. And I've asked Bianca to post that in the app.

So if you go on the app, you can see how you've rated and give yourself like a grade, like a banding. And it gives you a place to start from. This is a personal number for you.

There's no shouting out who's got 100. Wow, you're the best. No, there's none of that here.

This is serious, like, honesty. I just love it. I think it's brilliant.

So we're going to close off now. And I'm going to invite Dan up on stage in just a sec. But this basically, ladies and gents, is what it's all about for us now.

These are our three life KPIs. And don't they just sum it up so well? Let's be honest.

If we are smashing it in all these three areas, then we are making the most of this opportunity on this earth. These are our three pillars, our three KPIs. So I'm going to hand over to Dan now to do the strategy sessions.

Hopefully, you've got all your workbooks. Before I do, I just want to say something about headline strategy.

[Daniel Hill] (51:33 - 51:35)

Now you meant in a couple of minutes, yeah?

[Adam Goff] (51:36 - 53:28)

Yeah, fair point. I'll take that feedback. See, I'm not perfect.

I told you. I think, as I said in the intro, I think most leaders in their business don't realise they're leaders. And we don't understand that we have to set a direction.

We can't be asleep at the wheel, like the car can't have a driver. It just doesn't work like that. And if we think we don't need to, then we're just doing a really bad job in leadership, and we're not going to get anywhere.

Because if you don't put a destination in the sat-nav, how can you ever arrive? It really is as simple as that. And in business, we don't want to be the passenger.

We want to be in the driving seat. But the way we do it is not in our own heads. It's actually getting our team to creative collaborate, to have buy-in.

And rather than fight us on where we want to go, be part of it and have it ideally have been their idea. That is the whole point. Because change management in businesses is really hard.

If you're sat there right now, and you don't have any employees, and you don't have a business, you probably think, I'm so far behind, this is so difficult for me. You're the lucky one. You're the lucky one.

Because you've only got to convince yourself. When you've got 50 team members in three different locations, and people that have been there 20 years, that's a challenge. This blueprint enables us to lead our businesses properly, get our teams buy-in and actually make the changes we have to make.

That's what this blueprint does. I've used it really successfully in Capital Living a few times to totally reinvent it and get what I needed out of the business. And don't forget, once we set this headline strategy, this is going to be the name of our business plan.

So we take it up another level in the winter, and we publish a business plan with this headline strategy as the name. So this is where we're going. This is how we get everyone paddling in the same direction.

This is how we get leverage. And this is the time when Dan can join me on stage. Let's give him a round of applause.

Thanks.

[Daniel Hill] (53:32 - 1:10:41)

So I've been using this blueprint for all of my entrepreneurial life, every single business. And obviously, my objective is to try and as well as possible, enable you guys to get the same results. And strategy sessions, like Adam alluded, is both a project and it's a process.

So it's like the project between now and the strategy day is to come up with those headline strategy and three supporting objectives. But the process is more important. And the process is about getting the buy-in from your team.

You need your team to be standing there shoulder to shoulder and saying, this is what we want to do. This is the direction of travel for the business. This is what we want to do.

And they're bought in, they've contributed to it. And it goes all guns, all guns blazing. Dale Carnegie talks about how to win friends and influence people, talks about if you want to get somebody's buy-in, the best way is to let them think it was their idea.

So within this, you want your team to believe that it was their idea and that they've contributed so that they're bought in. They don't feel like they're trying to help you achieve your mission. They've contributed, they've chipped in, this is what they want to achieve.

And you go and do it collectively. When we talk about success and failure being very predictable, we don't want to basically talk them into it, make them think it's their idea and brainwash them. The reason we want them to think it's their idea, and we want their idea to be the same as yours, is because there is only one right decision for your business.

And this is what these three months, now two months, is about, is figuring out what is the right decision for the business? And what is the right headline strategy? And what are the right objectives for the year ahead?

And that's the difficult bit. The reassuring thing is success and failure very predictable. If you choose the right destination in the sat nav, and you choose the right support and objectives, you will get the outcome that you actually want.

And this is the strategy sessions do. What I'm going to do in this session is something that we've not done previously. So the success that we've had in our businesses has been based on my ability to use this blueprint, and make the right decisions.

The successes that we have on the board is the fact that I work with the board members shoulder to shoulder in the boardroom on the mentoring calls, and help them to make the right decisions. If I could help you to choose today, basically tell you what your headline strategy should be, and what your three support and objectives would be, who would get huge value from that? Cool, I'm not going to do that.

Of course I am. What I'm going to do is I'm going to take you through this. By the end of this session, you will know exactly what the destination in your sat nav is going to be, and what the support and objectives need to be for next year.

And it's going to save you eight weeks of work. Sound good? Excellent.

There's three points for your action list today that's in your workbook, and there's three points for your agenda. What I'm doing with you now is the same activity you're going to then go and do with your team, who are going to give you the same answers that you're going to give me today. And the outcome will be the headline strategy and the three support and objectives.

There's three things that we look at to make the right decision in the business. The first is the market cycle. And what this is, is strategic positioning.

You know, if you're running around at the minute, and you want to build an empire based on leasing hotels to refugees, you've probably missed the boat. No pun intended. You've probably missed the boat, because that is now, the plug's been pulled out, the water's going to pour out the bath, and that strategy is going to be completely disappeared in the next six months.

We need to understand where's the market? Where's it going? How do we strategically position?

The second is the business cycle. So the market goes through a cycle, every market, every product, every service, and so does your business. Every single business will go through a business cycle.

And it's this part of the strategy session that we use to decide where the headline, what the headline strategy is going to be. So your headline strategy will be based completely on where you are in your business cycle. And I'm going to give you the business cycle and show you where your headline strategy should be.

And then finally, is the support and objectives, you know, the three pillars that hold up your headline strategy, and the three key focus areas that you have to look at in your business in the next 12 months, is based on where your business is now. And this is a SWOT analysis, it's like looking at where are the weaknesses, where are the threats, where are the strengths, and where are the opportunities, and defining the support and objectives based on those. So this is the three things we're going to go through in this session.

And then outside of today, you're going to do this again with your team, take them through the same exercises, and hopefully, they'll give you the same answers. And I have test driven this on my team, Bianca can vouch for this. And it did work.

So this is the first step is the market cycle. So what you want to establish is where with your different businesses and your different portfolios, your different strategies, where are you in this business cycle. So I'm going to put some music on for a moment, and ask you just on this curve to jot down the various strategies you've got.

So if I was if I was going to look for an introduction strategy, what sort of thing would I be looking at the minute strategy business? Now there's introduction, high risk, lots of unknown. Not really, if it was like modular housing, or like the stuff that you see in Switzerland, I don't mean Switzerland, is it Switzerland?

Sweden, in Sweden? Yeah. Same thing.

Yeah. Thank you. Make sure you pack carefully if you go to one of those destinations.

So a strategy that would be like modular housing, where in other countries, they seem to have nailed it. In the UK, we seem to have gone backwards. LNG have just said they're closing all their factories now for modular housing.

It's like an introduction strategy, it may or may not take off. The biggest one that I would say a broad level is AI at the minute, you know, AI is in that introduction phase where everything's crazy, we don't know what's going to work. When a few things land, chat GBT, then we start it starts to become a bit more commonplace, it'll go into the growth.

What's growing at the minute? What's like hugely over demanded, under supplied strategies? Supported living?

Yeah, I'd say even higher than that is probably like just basic PRS sector is demand far exceeds supply, bless you. HMOs even, you know, in the majority of areas, HMOs, the demand exceeds supply, there is a second wind of growth opportunity in that. However, you need to be sure is it a shock or is it a shift?

Don't get too carried away. But growth, maturity, you know, what's getting hard now used to make loads of money now it's a bit difficult. Buy to lets absolutely for cash flow, buy to lets.

SA, everyone seems to be having a tough time with SA at the minute. And then decline, like what's actually declining on its way out, probably you're not going to be here in 12 months time, 24 months time. What was that?

The Tory party. Unfortunately, probably quite likely the Tory party. Absolutely.

Or like I said, refugees in hotels, you know, the stuff you see, you know, it's on its way out. And you would be, you know, you would just be silly to be going into that space. So we're gonna stick to Musicon and just mark on this, understanding where you are, where do you think you are on the curve?

If you've got various businesses, just mark where they all are. Okay. And again, this is all about like success in business is all about strategy.

And it's all about making sure this is what we call it strategic positioning. It's that you get every year you're going into a market with as low a competition and high margins as as possible. The aim of the game is to actively invest and grow up the curve.

And then when you get to here, find a way to get back to the beginning. And there's two ways to get back to the beginning. What are they the first would be to exit absolutely sell wind up and you want to sell in the green, not in the yellow, you know, sell on the way up, not the way down.

And then the second would be basically to reposition, you don't have to throw the baby out with the bathwater. And if you were running professional or I was running professional HMOs in 2015, rode it to the top of the curve got saturated, I could have either like let it go down, or I could have repositioned it to support and living or to students, you can go back to the beginning of the curve. And when you see this diagram in other places, you might see a little kick here, you have decline, or you have reinvent.

And it basically means you just reposition that stuff. And you go back to the beginning. The aim of the game is always to stay on the crest of a wave.

Now, ideally, you would start every year and say, right, where's the new crest of a wave? What am I going to do? And you ride it low competition, high margins, make loads of money, everything's easy, just got to worry about the back office.

The reality is you can't really do that when you've got businesses, you've got teams, you've got products, you've got clients. But it's just acknowledging where you are on the curve, and where there might be an opportunity that works with what you're doing to bolt in or reposition or shift to benefit from that easy money, the tough bits at the top. And you know, that's just high competition, low margins, you don't want to be there.

So this is the first part of strategy session, get your team to offer their feedback, have a conversation, explore the options. And then you would make some decisions based on where you are in the market cycle. The second is where we're going to look at headline strategy.

And this is the business cycle. So when I said to you, like, I will tell you what your headline strategy needs to be for the next year. This is how you do it.

And the headline strategy is the destination in your sat nav. If you get the destination, right, you're going to end up where you want to be. If you get it wrong, you're going to end up in a place you wish that you were.

In the same way that in our businesses, we have different profiles of people. And the same way on the property entrepreneur blueprint, we have the four seasons. This is the same cycle that our business goes through.

So you've got the spring, summer, autumn, winter, you've got the dynamos who are great for starting, you've got the blazes who are great for selling, you've got the tempos who are good for service, and you've got the steals that are good for the stats, you know, it's, it's a very clear cycle. And the business cycle is exactly the same, but your business will go through this cycle. And you've, you've heard us talk about it before, what do the dynamos do in the four stages of the cycle?

Absolutely, the dynamos are forming new products, new ideas, new markets, the blazes. Absolutely, they're storming, scaling, making sales, turning the tap on when nobody else can keep the water in the bucket. Autumn, tempos, norm, cruise control, letting the business stabilise, letting it settle, and winter.

Absolutely less than 5% of entrepreneurs ever go to step four. It's where the money is, it's where the money's made, refining, efficiencies, low revenue, higher margins. It's what Adam did with Capital Living, that gave him, that won him entrepreneur of the year in 2018.

He'd had the business for eight years or nine years. And he just did that last shift, optimised everything, reduced his revenue and doubled his profit. So this is the, this is where the easy money is.

So we've got those four steps. And this is the four cycles of your business. And you're going to be in one of these stages.

So if you're at the beginning, you're starting, so let's say you got a new product, or a new service, or even a new business, your headline strategy is going to be around starting, it's gonna be something to do with starting the business. If you've already started it, and what we're trying to establish when we start, there's one thing we're trying to establish when we start a new product, service, or business. Absolutely proof of concept, does it work?

Do one or two, kiss some frogs, stuff doesn't work, find something that yes, this works. Then we scale it. And over here, we're looking at growth, we're looking at leverage, we're looking at expansion, this is all about scaling.

The fourth phase of the business cycle is about service. What you'll find at the end of a storm phase, if you've probably got loads of revenue, loads of clients, but they're all disappointed, they're all annoyed, service levels through the floor, growing pains, service failure, you go into norm, you've done all this stuff, tried loads of stuff, now you're figuring out what works, you're going to stage three, which is a year of cruise control, letting it tick over, letting the dust settle, letting it calm down, no more revenue, just letting things bed in and figuring out how does it work, letting it normalise, focusing on service, focusing on your clients.

And then finally, the fourth step of the cycle is the stats. It's data and dashboards, it's KPIs, it's P&Ls, it's just really looking at that refinement, and that really is where the revenue is made in scale, money is made in stats, profit is made in the stats. So, if you're up here in the start phase, it's all about design and build.

It's all about designing these new ideas, designing this new business, designing this new product set, and then going out and actually figuring out what works, concepts, prototypes, testing the market, trials. When you're scaling, it's all about marketing and sales. It's literally all you're focusing on if you're in that phase of the journey is marketing and sales.

How do you turn on the tap? How do you get more people to listen? How do you get more leads?

How do you get more revenue? If you've got that revenue now, and you've got the scale, and the thing's just holding itself together with, you know, it's just resting on its laurels, or it's flying by the seat of its pants, step three is service and operations. It's like now you've got a business, you've got clients, how do you make it sustainable?

How do you make it efficient? It's all about delivery and operations. And then step four, where less than 5% of entrepreneurs actually go is data and finance, is where actually is the business?

And it's dashboards, it's data, it's P&Ls, it's margins, it's models, it's cost savings, economies of scale, critical mass, sweet spots, commercial balance. Everyone's eyes are glazing over. Profit, who wants some more profit?

There you go, money, that's where you get the money from, so it's doing that. So I'm going to ask you to do, we're going to stick some music on for 60 seconds, and I'm going to ask you where you think you are in that cycle. You will know roughly where you are in the business cycle.

So put some music on, and just jot down where you think you are. Got a microphone, please? Oh, it's not, it's a private one.

Okay.

[Bianca O'Connell] (1:10:43 - 1:11:13)

I'll repeat it, I'm on. Okay, Sarah's got a really good question.

[Daniel Hill] (1:11:13 - 1:15:55)

So she's in the form stage, has started a new business in the last year, and had lots of early successes. Many of you last year would have heard that in last year, there was one month where she did more revenue than she'd done in a whole previous accounting year, which was amazing. And what she's saying is, which is quite wise, especially on young shoulders, is that she's in the form stage, making some money, is getting ready to scale.

But before she does that, she wants to get all of this ready, so that she can limit that storm phase and basically try and skip the gear. We obviously say you can't skip the gear, saying what can I actually do? What do I need to do?

Elon Musk spends hundreds of millions of pounds trying to figure out how to build rockets and get them to take off so they don't blow up. What happens? They still blow up.

The aim of the game is before we go into a storm phase, we do everything we can to try and stop the rocket blowing up. But we go into it with our eyes open that even if it makes it to sub-orbit, something's going to fall off, something's going to break, and it probably will blow up, and then we'll normalise. So you can get 60-70% of it right, 30% of it wrong.

But if you do more proactively, then absolutely. That's a really good point, yeah. So the question was, can you have a year in normalising stage when you're actually still forming?

And Guillaume said, well, that's what winter's for. And I said, absolutely, that's why you have this same cycle every 12 months. So really good question.

Yeah, hopefully you know now where you are in the business cycle, and you've got a reasonably good idea. And then what this does is you could have a million different headline strategies. Me helping you in this capacity is going to narrow it down to less than 20% of what it could be.

So we're going to get rid of 80%. We're going to save you 80% of time this year by telling you there's only eight different headline strategies that you can have, really. You're going to be in one of these spots now, 1, 2, 3, 4, 5, 6, 7, 8.

And one of these is your position in the business cycle. And based on what your position is in the business cycle, it will define what your headline strategy is. So in your strategy session with the team, you ask them where do they think we are, 1 to 8, in this cycle.

And then what you'll do is you'll create a headline strategy based on that number. So if you're number one, your headline strategy might be something like proof of concept. If you're step two, it might be something like warm the tyres.

Step three, you know, you're going to go storm, it would be something like ride the rocket, you know, you just know you're going to go into that sort of experience. If you've ridden the rocket, you're then going to slow down to speed up, you know, you don't want more growth, you want to consolidate rather than scale. If you're at number five, it's probably more like five star service or world class service, it's something that represents being at number five.

Six, you know, stop driving by the service and the sentiment and the feet on the pedals and start driving by the dashboard, drive by the data, you know, a headline strategy that moves people from service and sentiment into stats and data. If you're at seven, it'll be something like bottom line time. Now we've got this revenue, we've got these systems, we've got this data, let's do a profit year, let's drive everything to the bottom line.

Or top left is, you know, you've done all of that, you've got to here, you've completed it, then what could you do? Well, you could sweat the assets, you know, you've got this amazing business, it's making loads of money, it's world class, it's refined, it's profitable. But you're not making the most of it.

And you go and sell it on a license, or you franchise it, or you scale it, or you go online with it, go virtual with it, create an AI version of it, whatever, you sweat the assets. That process is basically what I've done for the last 10 years, intrinsically in my businesses, and what I've done for the last 15, 20 years in my businesses in the last 10 years with the board, and hopefully now having created a blueprint for it, it'll get rid of 80% of the things that you don't want to do. And it'll give you and your team the blueprint that you need to figure out what you do do.

And once you've gone through that, decided where you are at four, then which number you are at eight, you can come up with a headline strategy that reflects that and aligns with your sort of culture and your vocabulary, bless you. And that will give you your headline strategy. Good.

Yeah. Excellent. I'm very pleased.

And then for my next trick, supporting objectives. So you get that headline strategy, right, we're going to ride the rocket bottom line time, five, five star service, whatever it is, how do we do the support and objectives? Well, ahead of the...

Matt.

[Speaker 4] (1:15:58 - 1:15:59)

We've got a mic, please.

[Daniel Hill] (1:16:02 - 1:16:06)

All right, smashing. Sorry. Sorry.

I didn't realise I had to do stuff myself. No problem.

[Speaker 3] (1:16:09 - 1:16:10)

Can you believe it, Matt?

[Speaker 4] (1:16:11 - 1:16:49)

Me being loud, who would have thought? Just going back to Sarah's point, just I just want to make sure I've got this exactly right. So say for me, I'm just starting my business.

I'm in form 100%. But I like the idea of going to proof of concepts. I've said I've given myself a time frame already, which is six months to go and get everything ready and then start selling or going to find deals when it comes to summertime.

But when looking at this, is it right that I should just do a year in form, a year in storm, year in norm, for example, like that, rather than trying to do it all at once? Because I feel that could be too rushed. And I'd make loads of mistakes.

[Daniel Hill] (1:16:49 - 1:17:38)

Well, Guillaume's point was really good. And it isn't one that I consciously acknowledge, but it's absolutely right is headline strategies at macro level, so 12 months, whereas the seasons are at a micro level, which are 12 weeks. So it's like, you could have a bit of all the seasons in one cycle.

If you haven't got a product that works, there's no point going trying to sell 100 of it. Proof of concept is about planting 100 seeds and finding the one that grows. And it's like a lot of entrepreneurs won't do that because they spend their life doing businesses that don't make money or do deals that don't make money.

You're better off saying, Adam's better at this than I am. I'll say, let's go and do this. It'll be amazing.

I know it's going to work. And he's like, let's test it. Let's try it.

If it works this year, then we'll do it next year. And I'm like, I think in days, not years. So it's probably more of a mindset piece that helps.

[Speaker 4] (1:17:38 - 1:17:40)

Rather than a time frame piece.

[Daniel Hill] (1:17:41 - 1:18:22)

Yeah, because you don't want to, you got to find the whole wealth dynamics blueprint is built on two things. One is value, and the second is leverage. So if you've ever seen this in the middle, V times L, it means value times leverage.

And value is like something that is Crest of the Wave, low competition, high margin. Until you found value, there's no point scaling that. If it's crap, you don't want more crap.

You want to find a needle in a haystack, kiss the frogs, find the thing that works and then scale it. You wouldn't do that in 12 weeks, it would take a year. And the reality is, if you do it properly, most of the time, what you think is going to work won't work.

And you come across something completely random, you'll be like, wow, I can't believe that's that worked.

[Speaker 4] (1:18:23 - 1:18:24)

Yeah, cool. Yeah, thank you.

[Daniel Hill] (1:18:24 - 1:22:24)

Excellent. And then finally, is support and objectives. So there's only three support, you only need three support and objectives.

And again, when you've got complete full rain, you won't know where to look. With this blueprint. Now you can go into your businesses into your strategy sessions, and it'll be crystal clear where to look.

So you do your SWOT analysis, which is you're already doing in your journals, strengths, weaknesses, opportunities and threats for your business. And what this gives you is your three support and objectives. So when you've got all that information, the answers are already there.

With the support and objectives, there's only five things, like there's only eight things that headline strategies can be, there's only five things that support and objective can be. And the five things are, if you're in dynamo phase, it's all about product. Is the product as good as it can be?

Does it need to be developed? Is it world class? Or is it still work in progress?

The second is marketing and sales, you know, if Matt goes out this year, kisses a load of frogs, one turns into a prince, congratulations, Matt. And then he wants to go and make an army of princes is into marketing and scales, marketing and sales. How do you scale it?

Once you scaled it, and you're in that storm phase, it's then into autumn. And all it's about is operations, operations, systems and service. And then if you've got that norm phase, you've got the operations, you're then into finance.

And that's literally it, there's only five parts to your business. And there's only five things to choose from. And what we do is you then say to your team, right, we've decided this is the destination in the sat nav of these five things, products, marketing, sales, operations and finance.

Which ones do we need to work on? But what are the three? And what are the three?

Basically, what have we nailed? What's world class? And what's world work in progress?

And what are the three core focus areas, we can only choose three that we need to work on. And when I did this with Bianca, I said to Bianca, you know, these are the five things we can look at, what do we need to work on? And we said, sales is world class, you know, we know how to sell conversion rates are strong, we've been doing it for a decade, we know how to sell, we've been doing it for a decade, operations, hopefully you'd vouch for the fact things in the main work pretty smoothly, they work, they run, everyone's happy, we're happy, it's not stormy, it's normalised.

And then we're like, well, products, we're still developing advanced, we're still building out new blueprints. Every year we're creating stuff. Marketing every year, it's still me jumping in the battle lines doing the marketing campaign, we need to refine that.

And finance, it's okay, it's good. But it's like, we want to take it to the next level, build out the team refine what we do. And when you've got those three things, it will tell you what your three support and objectives are.

So looking at those five now, if you were to rate each of them out of 10, what you'll find is that one or two, you'll be really strong at, you're great at sales, or you're great at marketing, or you're great at finance, but actually, the product needs work or the marketing needs work. And what that will give you, when you look at those five things is it will give you your support objectives. And it will say, right, well, our three support and objectives are going to be one's going to be around product, work in progress to world class, one's going to be about marketing, world class content machine, one's going to be about finance, bottom line time, they would be objectives, and they would be the three, three that you have.

So that is the brief for that's the agenda for your strategy session. That's the three models that you need to use yourself and then with your team. And that will give you your headline strategy.

And it'll give you your three support objectives that help. Excellent. Let's welcome Adam to the stage.

[Adam Goff] (1:22:30 - 1:27:32)

Thank you. Okay, good. Love that session.

So for those people that are tuning into midweek mentoring. So Michael Taylor, the winner of property entrepreneur last year is going to be hosting the midweek mentoring about how to set an award winning headline strategy. So I suggest you get that in your diaries for the 22nd of November, we've made that available to advance this year.

Previously, that was just available to the program. So you get the link for it in the circle app. So tune in for that get in your diaries, get it on your action list.

Thank you, Michael, for doing that's gonna be very high value. So now before we go to the break in about 20 minutes or so, we're going to get you doing this. Because we're all too busy.

We all leave here with the best intentions. But the reality is, we have to do this and we have to do it now. So what better time than now.

So this is the agenda. And some of you will be familiar with it. In fact, you all should be broadly familiar with it.

This is the agenda that you run your team through to help get their buy in the creative collaboration I mentioned when I introduced Dan, and basically what he just took you through. Okay, so these are the three different areas, market cycle, business cycle and SWOT analysis. And this is what you'll be sending them now we've sent you this or it's in the app, both just in the app.

What have we done with this is the agenda for strategy sessions. Perfect. So it's in the app even better not on WhatsApp.

That's exactly what I asked for. So thank you so much. So this is in the app.

So if everybody wants to get their phones out now open their laptops, go into the app. It's under resources and links, workshop two. So we've written the invite to invite people to your strategy sessions.

And we've written the agenda. So if everybody just gets that up now, whose was that? Oh, the laptop?

All right, I'll let you off. No, it's okay. No, no, it's all right.

I'll let you off. I'm not. I'm not a complete savage.

Was it really the laptop? Okay, I'll take that. Okay.

Scout's on if you say so, I believe you. Probably better to look in the app. You can get to the app on your laptop.

So who's got the URL for the app on the laptop? Steel. Hating it.

Literally hating it. Property. It's okay.

Don't worry. That's what we're doing all together as a team. So someone who's got the URL, pardon?

The app. We've got a URL for the app. Yes.

Oh, yes. So go to resources. Good question.

Down the bottom. Workshop two. Yeah.

Everyone following me? Wicked. Okay.

So now we're all there. We're all there. Great.

Okay. Ladies and gents, we're going to have 10 minutes now of focused work. Please listen in.

So I won't be repeating myself. So you're going to have 10 minutes. Please put your phones down and stuff.

Oh my goodness. I should have agreed to this after, shouldn't I? You're going to have 10 minutes now.

And this is what you're going to do. You are going to... Who's that?

Who's that? Who's that? Is it a phone?

Okay. All right. Put your laptops on mute.

That is your gypsy's warning. All right. Listen, you're only cheating, you know, the homeless.

It's only get up and give back you're cheating. All right. So look down Norman in the eyes at break.

Yeah. Okay. If you can look him in the eyes and tell me that was a laptop, then so be it.

You're only cheating yourself and all the poor people in the world. So what we're going to do is we're going to book the strategy sessions into the calendar. So when are you going to do them?

When are you going to do these with your team? You're going to look at your calendar and you're going to book them in. You're going to book in as many as it takes, maybe a first one and then give yourself a few weeks to think about it and then a follow-up.

Maybe it's going to be separate ones with your heads of department or different people. It's going to be one group, one and some separate ones. You're going to think about that and then you're going to action it.

That's the first thing you're going to do. Then you're going to put in the diary when your strategy day is going to be. Now, bearing in mind ours, I think is on the 14th of Jan, give or take, you could make it after that.

You could make it before that. You're cool. You're going to decide that and using the resources in the app, you're going to invite the team.

You're going to send them the agenda in session one, book it in. Sorry, that's the session three, obviously, is you're actually going to send these out. You organize the dates to yourself, get it all in the calendar, get in the app, get the templates, edit them.

If you can, send them out now. This is literally take action in the room. This is happening because you're going to make it happen now.

I'm not even going to talk anymore. If you've got a question, any initial questions before we start? Tony, just super quick.

Just focusing on main business.

[Speaker 4] (1:27:32 - 1:27:34)

If you've got multiple businesses, it could get messy.

[Adam Goff] (1:27:34 - 1:28:15)

Let's just do one for now. You've got 10 minutes to get something done. Let's make inch wide, mile deep.

Let's just go all in with one. Good question. Any other questions?

Hand up if you need help. Chelsea, you got a question? There's a URL.

You can get on with the URL. Does anyone know the URL off the top of their head? Boom.

Entrepreneur.circle.so. Sarah, have you got that now? Awesome. Okay.

I'm going to put some music on. You've got less than 10 minutes. Let's get this done in the room.

Off you go. Boom. Deck.

[Bianca O'Connell] (1:38:47 - 1:38:48)

There, please, ladies and gents.

[Adam Goff] (1:38:52 - 1:41:34)

Getting more attention. Hopefully, you've now got a date for a strategy session at least. You've got a date for your strategy day.

If you don't know the location, it's a save the date. Hopefully, who actually managed to send out an agenda, or at least to their EA to send out an agenda, to their team or someone in their team? Who's actually got that far, just so I can get an idea?

Okay. A handful of people. Okay.

You've still got some work to do on this, but once you do this, then you've raised the stakes, haven't you? You're doing it. That's the most important thing.

That's absolutely fundamental. This is what it's all about this month, getting all these things done. The slides don't seem to be in sync deck anymore.

What I'm going to do now is I'm going to get you to... This TV's gone off, actually. Can you get your journals out?

Laptops down. Journals out. We're going to give you some new cave time topics for the month coming up.

I'm going to ask you to put them in your journals now. Journal out. Laptop down.

If your laptop is your journal, fair enough. Give us the journal back, which we spent all that money on. I want it back.

It's bloody expensive, unless you've given it out as a gift. Are you a cheap bastard? A lot of money.

I think it's like £999. Priceless. You can't buy them.

First new cave time topic, new page, new double page, leave some space. Year of. Year of at the top.

Let's do it with me. Year of. Let's get it in the journal.

Year of. We're going to start thinking about our year of. While I'm talking about year of, also in your action lists, Dan Norman will be doing the midweek mentoring on year of.

He's had some absolutely cracking year ofs over the years. 8th of November, so next week, he'll be leading a midweek mentoring session on that. You can get all the insight and extra help, questions answered that you need to motivate you to get the juices flowing.

Maybe even book a cave time session after the midweek mentoring. You use that as your way of getting in a flow state. Then at 1 o'clock, you're like, right, I'm going to do an hour's cave time on this right now because I'm already in mentally, so I might as well just commit.

Block that out of the diary now. Next, new page, turn over or leave yourself a couple of double sides, your personal objectives on the top of a new page. Let's write that in.

Double page, turn over, professional objectives. Turn over professional objectives.

[Bianca O'Connell] (1:41:41 - 1:41:42)

Good stuff.

[Adam Goff] (1:41:43 - 1:47:23)

Okay. Now, the next one is optional, so turn over the page again, and this is what we believe life's all about, experiences, challenges, and adventures. Why don't you write those three things across three more pages or over a couple of double pages and fill in the blanks where you might be getting some of these things this year.

Challenge, get up and give back. Adventure, a new holiday, a new ... put yourself outside your comfort zone, et cetera, something exciting, something new.

Experience, travelling business class for the first time because you've figured out how to earn 100,000, 150,000 air miles a year because you've watched my video in the app. More on that later. What's it going to be?

Is it tipping at the start of a meal, which you've never done, which Jim Rohn always goes on about. What experiences would you like this year? Get those in there.

That's an optional one. It's an invite. New page, your reward.

If you've done your long game and you did your homework, you've probably already got your reward. Good for you. If you haven't, this is the time when we can start to pick something.

Your permission to dream, so get that in there. I've had some great rewards over the years. I know I keep sharing them, but I really do love them.

One thing that actually came out of one of our mastermind sessions this year, when you're thinking about travel, for those people that think that holidays are pointless and it's a waste of time and they don't get why people go on holiday, I just want to make something really clear. Going on holiday is not going on a 2E holiday, 10 days in a 2E hotel and all inclusive. There's value in that.

There's rest, easy, relax. When I go travelling and I go to different countries, I'm filling up my cup. I'm going to new cultures that is lighting my fire.

I'm going on retreats to learn something. I'm putting myself in an uncomfortable situation. I'm not just mindlessly backpacking and getting pissed every night.

There's things that I genuinely do, whether it's going to Japan, learning to snowboard, learning to surf, going on emotional retreats, anything and everything, I am learning. I don't want you to think that if you can combine travel and learning, if you're one of those people that can't just sit on a beach, that's what you do travelling for. Don't just do it down in Blackpool.

Just fly to the States and do Date With Destiny. Tag it onto a trip. I've done all sorts of things, like I said, been with the monks in Thailand, been in Peru, zenning out, but obviously sometimes I do just go to Burning Man and get pissed, basically.

I thought it was going to be a really spiritual festival, travel eight hours into the desert in the middle of nowhere to find myself. Turns out it's like someone puts an espresso martini in my hand and I'm like, all right, OK, we could have just done this anywhere. But that's the point.

That's what cave time is all about. It's about trying to figure out what you really want for yourself, what really works and what really doesn't. So you've got all those in your journals now, so I'd encourage you, now it's easy, you can just pick up the journal, you know the exercises, they're in the book, and just tick them off as you go.

Because at the back of the workbooks, if you go to the back of workbooks now, we've even given you a list, a checklist of what to tick off in terms of your cave time topics. So you go right to the back, yeah, homework. You can see, there you go, Guillaume's got it.

Exactly. What page is that? Yes, 29.

Who said 31? Funny because it's on 31 as well. Yeah, 31 is the homework, but 29, you've got your autumn checklist.

So we're making it super simple. Well done, Guillaume. So you can go through those, you know, visually go through it in your journal, look in different sessions as part of your Sunday sanity.

I'm going to do reward on, you know, I'm going to do year off on Wednesday after Dan's session. I'm going to do my reward on a Saturday morning because that seems like a really cool thing to do, you know, get excited, et cetera, et cetera. Okay.

How's session one been, ladies and gents? Good. Getting stuff done.

We like it. New format. Brilliant.

Good. One more new thing for 2024 is we want to make, we want you to make them a bit like what we did at 9.30, where we got you to line up in front of each other, you know, and peck each other on the cheek and all that sort of stuff. We want to want you to make the most of the breaks.

No one cares how the traffic was. No one cares what the weather's like. All right.

And no one like, how are you? It's like, these aren't value questions. What I'd like to, what I'd like us to do from now on is ask direct questions.

Cut out the noise. What's coming up for you next year? Where's your direction of travel for your business?

What's your reward going to be? What was your biggest lesson learnt from last year? Okay.

Not how's the coffee, right? And, oh, peppermint tea. I like peppermint.

Okay. Like, it's funny because it's true, isn't it? All right.

So that's your challenge for break time. Let's get the most out of these days. Is that okay with you?

Who's not going to do that? Who's not going to do that? Just Ashley.

Okay. Round of applause. I'll see you back here at 12 o'clock.

Thank you very much.

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Session 1\_Trasncription

[Speaker 6] (12:06 - 12:31)

Ladies and gents, if you could take your seats, please. Let's take our seats, please.

[Adam Goff] (12:42 - 13:50)

Take your seats, please, ladies and gents. Two-minute warning. Thank you.

Okay, ladies and gents, if you want to finish up those conversations now and take your seats, we're going to be starting in just under one minute, so really it's time to strap yourself in, say goodbye, sit down, ready to roll, 60 seconds.

[Speaker 4] (14:31 - 14:46)

Ladies and gentlemen, please welcome to the stage your head trainer, Mr. Adam Gough.

[Adam Goff] (14:53 - 23:35)

Good morning. Did we enjoy the networking? Steels, did we enjoy the networking?

It was literally like when I said networking, it was like a scared cat to the wall, like Rackhash. No! That was really good.

Good fun, wasn't it? Good fun. Because this is the new team.

This is the new family. This is the brother and sisterhood. This is PE.

This is it. It just seemed like the obvious thing to do. You're only strangers for so long now.

Hopefully, you're not strangers. We've basically got to about 80, 90% of people, so now you can just make an effort in the breaks, in lunch, to just go and say hello to that face that you haven't quite put a name to, right? That's really important.

Welcome to workshop two, the first workshop where it's just us. This is where the serious work starts to get done now. We're not playing for the first year.

It's no longer kindergarten. We're now at big school, so I hope you've got some new school shoes for the new school term. You're absolutely ready to roll.

First things first is phones. So phones. Someone, I'm not going to name him, gave a £20 fine last month to get up and give back because his phone went off, and I thought that was admirable.

That is pure leadership, quality, and exactly what we're all about at Property Entrepreneur. So it seems to me like it's set the standard now. We have our standards that we've all raised, and we're going to raise our standards with regards to phones.

So if your phone goes off or you need to use it in the session, then it is a £20 fine to get up and give back. Why not? Do we agree?

Let's go with this. A round of applause. Yeah, a round of applause for that.

Okay, we're all in agreement. Maybe I should put it a different way. Who doesn't agree with that?

Cool. So that's the standard. Okay, that's the standard.

I mean, people have stuff going on. What I suggest is if you're waiting on an emergency call from the babysitter like I know someone is today, it's on vibrate, you excuse yourself, or you give it to the back of the anchor, she can come let you know. Obviously, we live in the real world, but the point is that we don't want any distractions.

So once we say no to phones, we can say yes to the focus. The value of coming in, the reason why we do the live events is because, as we all know, this is where we actually get stuff done. We get away from our busy lives.

So we need to teleport ourselves out of that normal running on the treadmill life into the focus, working on a business. This is the thing that's going to get you the life and future of your dreams. So that's what it's all about.

So we want all in focus. Before we start, I want to make a quick announcement. So obviously, we had our second board session last night.

There's been a bit of a change to the board this year. And that is that there is a new board host. So I'd like to congratulate Josh, who's been appointed as a new board host for the year upcoming.

So well done, Josh. Congratulations. Well deserved.

Well earned. Josh is absolutely killing it. You're going to hear more from him later.

So let's get on with it. You know, the window of opportunity, we're ready to go. Let's get on with this.

As you've noticed behind me, the lighting is lovely and autumnal. We are going into autumn. As I said in the super event, it's no longer fifth gear.

It's third gear. It's like, well, I haven't quite done what I wanted to do. But if I don't clock back the revs now, I'm not going to be able to create the space to start building the car for next year's F1 season.

If I don't start getting reflective, I'm going to be doing my strategy day presentation on the train on the way up in January. And it's not going to mean anything to me. And I'm not going to make any progress because I never gave it.

I didn't plant the seeds in autumn that I'm going to reap next season. So this is where we plant the seeds. It's very important that if you are still at breakneck speed, you need to calm down and make your main focus in the mornings and in that spare time that you have potential on the weekends, introspection and reflection.

That's the most important thing, because we need to consider where we're up to. So who's made progress in cave time this month? Who struggled?

Leave your hands up. Yeah. Biggest struggle normally is I just can't find the time.

I can't get into it. Things are still going on. I talked about it a bit last night in Mastermind.

Recommendations are you have to go with a clear head. You have to have it in the diary and you have to go with no distractions. If you get all those things right, your subconscious will deliver.

But it might take a bit of time for you to get in the zone, in the flow. RE, the John Cleese video that I posted in the Circle app. A little bit of update for me.

I have been doing some work. I've been to Bali now. I was absolutely, as Josh said on Wednesday, shagged out after championship season.

Those people were there. It's a bit of an in-joke, but that is Josh's new thing apparently, shagged out. Exactly.

Weird, isn't it? It's another weird Josh saying, but he thinks it's okay. He says it and everyone laughs.

Anyway, I was pretty shagged out to be honest. Championship season was a lot. I always book a break in autumn because I need to have a bit of a clean reset.

Remember last year I went to Peru? I spent two weeks off the grid. This year, obviously, straight back to Bali.

I was back in the spa. I was on the beach. I was going to the gym.

I was eating clean. I was getting myself sorted. If you remember, I shared with you the long game and the importance of long game.

I promised I would do some work on it. Well, I finished my long game now. I've illustrated it.

It's got more detail. It's got pictures. It talks about me going in for another round professionally and really leveling up professionally.

It talks about me building my dream home in Bali. It talks about me going through the stages with Bella and right at the end, hopefully, having a baby. Absolutely, yes.

That was the year of that year, actually, yes. That's fantastic. I'm really excited about that.

I've updated this template for you. We're going to share it with you. We've branded up long game so you'll get this new version of the long game template because it's just another level up that we've delivered for you.

That's really great. Everyone's got to have that clarity. It's really difficult, but it's great.

I think just a sentiment as we go through all this, which is whatever you decide to do in business is going to determine your life. If you decide to go all out in business, hell for leather, working seven days a week, then it's going to affect your personal life. We need to make these decisions strategically and with a good level of self-awareness, the romance versus the reality when we're setting all these targets.

The worst thing we could do is have it not congruent together. It really needs to all fit together. That's why we look at what we want personally and what we want professionally because they all have to hang together.

Today, we're going to be building on your cave time. It's all about strategy sessions because we're going to take it into the business area now. We've spent quite a lot of time looking at ourselves personally.

It's been a personal development month. Now, we're going to start talking about the business. We do this with strategy sessions, which is why the workshop is called that.

Today's workshop, session one, is for those people that have done advanced before, this is going to be a different style, by the way. I won't say too much, but it will definitely be a different style, a different feel to it. You can probably already sense that from the way we're doing things today.

The most important thing is, from a business perspective, is that we are leaders whether we like it or not. We need to determine the direction of travel. We have to sit down with our team and work that out.

The way we do it is with headline strategy. That's going to be session one so we can get you set up, going on that, and fully motivated and into it. Session two, we know one of our mantras is to observe the masses and do the opposite.

It's all about being really strategically positioned in the marketplace. Session two is going to be on that. We're going to have a guest speaker coming in to specifically talk about how you could do that in the property space.

Someone who's been very successful, very well known in the industry is coming in to give us a session on that. Session three, we know the power of KPIs. Today, we're going to have some serious KPI work, just to let you know.

KPI is what it's all about, but we have one specifically for wealth to do with the financial fortress. Josh is going to be delivering a session to help us get to know our number, the number we need to judge ourselves in terms of wealth. Are we where we need to be?

When are we going to get there? That is going to be an absolutely banging session. I'm not even going to talk anymore, which is different for me.

I'm just going to get straight on with it and introduce Mr. Daniel Hill to the stage, please, ladies and gents. Let's give him a big hand.

[Daniel Hill] (23:37 - 33:48)

Thank you very much. Lovely. How are we advanced?

All good? Excellent. We're very much in the autumn now.

Remember, these 12 weeks used well will fundamentally define what the next 12 months looks like for you. We can't bang this drum enough that life by design is a privilege. We're entrepreneurs, we're independent, we have that freedom.

That on its own is a huge benefit in life, but to have the conscious awareness and the ability and the opportunity to actually go out and create our life by design is an absolute privilege. We want to make sure that you make the most of it. Work that's coming around.

What I'm going to share with you in this short session is for the last 10 years, we have focused on driving you forward from a personal development sense in your businesses and your personal lives as much as we can. There's three core pillars to that. There's only three core pillars, three core values that we have, which is our wealth, our health, and our life by design.

For the last 10 years, we focused energy on effort, wealth, financial fortress, health with get up and give back, life by design with the 12-month blueprint and methodology, but we've never really been able to calibrate where we are. If I was to ask you now on those three pillars to rate yourself, where you think you are on your financial independence, your general weight and wellbeing and health, and your actual life by design that you're living and experiencing, you'd probably subjectively be able to give us an idea of roughly where you think you are. What we've done this year moving forward, which will take us into the next decade, is calibrate each of these.

By the end of today, you're going to know exactly down to the granular detail where you are against each of those. Then going into 2024, we're going to use them to enable you to progress. You've got a really clear picture where you are, where you want to get to, and how you progress.

The first is wealth. For each of these KPIs, which is now going to define where you are on your journey as a property entrepreneur, wealth is the top, the KPI that we're going to use is the same top of the mountain for every single person in the room. It doesn't matter if your outgoings are 30 grand a year or they're 30 grand a month.

You're going to have exactly the same KPI. The KPI that we're going to use for wealth is about financial independence, because really, if you're going to be self-employed, and you're going to employ people, and you're going to do deals, and you're going to take on risk, and you're going to take on stress, you want that to give you something. The aim of the game, the only aim of the game is not survival in business, it's financial independence.

What this means, by definition, financial independence is different to financial freedom. Financial freedom is going from being employed to being self-employed. Going from having a job to being an entrepreneur, that's financial freedom.

It means you can make money and you don't have to work for the corporate. Financial independence is very different. Financial independence is the next step, which is what wealth is all about.

What it means is you could stop working today because you choose to, the business goes bust, you or someone in your family has a serious health issue or something that you can note that stops you from actually doing your business. Financial independence means that when you stop, your income doesn't. This is the definition of financial independence.

What else do I call it when we talk about, and I've done podcasts on it, when we talk about that concept of having that money that comes in every month without fail? 100%. This is what financial independence is, is living off the steam.

The KPI that will rate where you are in financial independence is what percentage of your annual outgoings are covered by steam that comes off of the assets that you own. The T and the assets, the financial fortress is things like, and we'll be doing this in session three, is single lets, commercial, blocks of flats leased out, HMOs on five-year leases to operators. They're those low-risk, boring assets, vanilla assets.

They give us the steam. The first number, which we'll look at at the end of the day, is what percentage of your annual outgoings are covered by the steam from those assets. This will give you your percentage of wealth.

Obviously, the first port of call is to get to 100%. When the day comes, when you want to tap the button, like I did in the pandemic, sold Multilet. They went from having a multi-million pound national company, didn't want to do it anymore, got sick of it, tapped the button, sold it.

All that happened was I stopped drawing money from Multilet and I started drawing money from my financial fortress because I had 100% plus coverage of living off the steam. This is the first number. In session three, we're going to go through it.

There's two ways to achieve it. Who can tell me what the two ways to get this to 100% are? The first?

Absolutely, which is the less obvious of the two. The first is to actually reduce your outgoings. If your current outgoings are 50 grand a year or 100 grand a year, the second one is to increase your steam off your assets, increase your financial independence by buying more assets or paying down debt.

The second is actually to reduce your outgoings. If you can go from 100K a year to 50K a year, 100 to 80 and bring it up, you'll get to that 100% a lot quicker. Then when you get to 100%, every extra deal that you do that has more steam coming off it, so you're at say 120% coverage, you can then increase your outgoings by 10% or 15% or 20%, wherever you want to get to.

That's the first KPI. By the end of today, you'll know how to calculate that. By the time you come next month, you'll know out of that journey of one to 100, exactly where you are.

Then obviously for next year, we'll be planning how we're going to get there. The second is health. There's a million metrics for health, right?

How we look, how we feel, what we weigh, what we can lift, what we eat, what we do, a million different things. What we're looking at specifically with health, again, is the top of the mountain. What's the one number that fundamentally applies to everybody?

It doesn't matter whether you're on cardio or muscle building or weight loss or vegan or whatever diet, nutrition, training plan you're on, what's the ultimate top of the mountain? The ultimate top of the mountain is how long are you going to live and what's your quality of living going to be, regardless of all the things that you want to do. This is what we call the metabolic age.

Your metabolic age is a test. You can do it in a range of different ways. In session two, we're going to set you up to do yours.

What it calculates is basically based on where you are physically, what your metabolic age is, which is the way that you process energy and calories and the way that your body works, against what it should be for your age. Obviously, the aim of the game is that your metabolic age, which is how old your body is, is either equal to or less than your actual age. Then obviously, if your actual age is 60, but your metabolic age is 45, it's a fantastic position to be in.

We can all go around telling everyone we're 45. That's going to be your metabolic age. That's the second number.

Everything that you do in health, what you eat, what you drink, how you sleep, how you train, will point towards getting this number down compared to the other one. Then the final one is life by design, which is obviously the hardest one. How do you even go about calibrating what the quality of your life is?

Because it's so individual, it's so subjective, how do we calibrate it? What we've done here is found a way to rate all of the different elements that could contribute to it. Based on your opinion, which is a really important part of it, what it defines your quality of life as.

The key part for this is what it means to you. We might say it's really important to have a low volume of tracked working hours during the week. Well, for someone like me that's trying to slow down, that would actually be quite important.

Actually, for somebody who's trying to speed up, they would be less important in that. They would actually want more. A low work-life balance and maximum work, for me 15 years ago, would have been a great thing.

Whereas now, it's not really serving me. The way that we calculate quality of life is based on how happy you are with various things, a number of categories, how happy you are with each individual element, and it will give you a score. The score will range from poor up to world-class, and it will give you an overall score as to the quality of your life that you're experiencing against what you want it to be.

It'll itemise the areas that you're doing really well in, and it'll itemise the areas that you can pay more attention to. With this clarity, and this detail, and these stats, and these KPIs, going into next year at this advanced level, you can calibrate every single one of them. We'll know where we are now, between now and January, we'll decide where we want to get to.

In January, you'll stand up in your Strategy Day presentation with this image and say, this is where I am now, this is where I want to get to, and then obviously at the end of the year, we'll be able to see you started here and you ended here. I'm going to hand back over to Adam, and he's going to take you through the first of the three KPIs. Health, we're going to do in session two.

Wealth, we're going to do in session three. Now, we're going to do life by design. Can we give Adam a round of applause, please?

Cheers.

[Adam Goff] (33:54 - 38:15)

How good is this? How good is this? The penny's dropping like, oh, wow.

Did they just quantify that? Yeah, we did. I say we did, Dan did.

We have designed this very, this brand new, unique to us scorecard. We've used ScoreApp, and it's going to give you the quality of life score that Dan has introduced us to. We're going to do this now.

This is what the first session, we're going to go through all three of these through the day. This is what the first session's going to be about. I'm going to ask Dex to put some music on in a second.

Everybody's going to do this now, by the way, so you are allowed to get your laptop out or your phone, depending on what you want. This, the important thing about this, ladies and gents, before you answer these questions, and before I give you the QR code, is you can see what we've written behind us. It's your own race at your own pace.

We've said it for a number of years that really isn't about biggest and baddest equals best. It's really what is right for you. It's your life.

You choose how you spend it. There is no life by comparison in this room. There is no ego.

There is no right and wrong, only other than what you want. Dan and I are there on his examples, two very, very different styles of life by design, both pretty good. Both good because it's both what we want.

If you turn to the workbook, and it's in the first few pages, there is a life by design page there. You can scan the QR code. We'll take you through the questions now.

You're going to have no more than 10 minutes. It shouldn't take you that long, even though there's 50 questions. Don't overthink a question.

Don't spend minutes on a question, but equally take the time and consideration to really think about the answer because if you give yourself 10 for everything without thinking, that might not be you that's answering. It might be your ego. That's what I'm going to say.

Don't let your ego answer the questions. Off we go. Just take your time, ladies and gents.

Just take your time.

[Speaker 3] (45:36 - 46:38)

So Okay.

[Adam Goff] (46:38 - 51:31)

When you have done it, just make sure you put your phone down. Please do not talk, Ashley. Okay.

If you're not done, just raise your hand. Okay. No worries.

Don't worry. Minute or so. Definitely don't rush them.

We're all in this together. So Okay. We're going to wrap it up there.

So we'll cut the music. So I think if everyone could put their phones down now, please shut their laptops. Let's get back in the room.

No distractions. Thank you. You can write down your score in your workbook.

We're going to actually swap your workbooks out. We've got an updated workbook for you that's even better. So we're going to swap that out now.

So ignore Josh and Bianca who are just going to swap those out for you. So if you have written down your score, obviously you'll have to write it down again, but it shouldn't affect you too much. Feel free to keep the old version if you've made notes in it.

So listen, I just want to say to everybody, amazing. Like people were really thinking that through. My fear was that everyone would just whiz through it and let their ego answer.

And genuinely, I don't think anyone finished before about eight or nine minutes. So that was like, seriously, well done. So let's give everyone a round of applause for that.

That was awesome. I loved it. Literally loved it.

So what I'm going to say is, obviously, it's quite personal, isn't it this? And you know, you don't always necessarily want people to see your scores. This is not a competition about who's got the best life, right?

Because the person with the ego is just going to like answer 10 for everything and think he's won. All right. But that's not the point of this.

The point is to be really honest with yourself about where you are in those areas. And then if you've scored low, that's an opportunity to make massive changes. If you've got it all figured out, why are you here?

Why are you here? Yeah. For those people that have scored a very, very high score, my challenge to you would actually be to do it again and probably again.

And be because you're one of those people. I've been through coaching on this. I had to answer a similar scorecard.

And I would just give myself 10 out of 10 for everything all the time. That's what I mean. It's like ego.

It's like, if you are me, that person, then you need to do some work. Your work is, well, you're bullshitting yourself. You know, you've created an armour around yourself.

And you think you're amazing. And you know, potentially you're not. So anyway, that's my closing sentiment.

Doesn't matter where you've scored. The last thing I want to say is, obviously, there are categories. Basically, 90 plus is world class.

So when you can work it up to that point, you're going to get world class. And it goes down in increments of 10. And I've asked Bianca to post that in the app.

So if you go on the app, you can see how you've rated and give yourself like a grade, like a banding. And it gives you a place to start from. This is a personal number for you.

There's no shouting out who's got 100. Wow, you're the best. No, there's none of that here.

This is serious, like, honesty. I just love it. I think it's brilliant.

So we're going to close off now. And I'm going to invite Dan up on stage in just a sec. But this basically, ladies and gents, is what it's all about for us now.

These are our three life KPIs. And don't they just sum it up so well? Let's be honest.

If we are smashing it in all these three areas, then we are making the most of this opportunity on this earth. These are our three pillars, our three KPIs. So I'm going to hand over to Dan now to do the strategy sessions.

Hopefully, you've got all your workbooks. Before I do, I just want to say something about headline strategy.

[Daniel Hill] (51:33 - 51:35)

Now you meant in a couple of minutes, yeah?

[Adam Goff] (51:36 - 53:28)

Yeah, fair point. I'll take that feedback. See, I'm not perfect.

I told you. I think, as I said in the intro, I think most leaders in their business don't realise they're leaders. And we don't understand that we have to set a direction.

We can't be asleep at the wheel, like the car can't have a driver. It just doesn't work like that. And if we think we don't need to, then we're just doing a really bad job in leadership, and we're not going to get anywhere.

Because if you don't put a destination in the sat-nav, how can you ever arrive? It really is as simple as that. And in business, we don't want to be the passenger.

We want to be in the driving seat. But the way we do it is not in our own heads. It's actually getting our team to creative collaborate, to have buy-in.

And rather than fight us on where we want to go, be part of it and have it ideally have been their idea. That is the whole point. Because change management in businesses is really hard.

If you're sat there right now, and you don't have any employees, and you don't have a business, you probably think, I'm so far behind, this is so difficult for me. You're the lucky one. You're the lucky one.

Because you've only got to convince yourself. When you've got 50 team members in three different locations, and people that have been there 20 years, that's a challenge. This blueprint enables us to lead our businesses properly, get our teams buy-in and actually make the changes we have to make.

That's what this blueprint does. I've used it really successfully in Capital Living a few times to totally reinvent it and get what I needed out of the business. And don't forget, once we set this headline strategy, this is going to be the name of our business plan.

So we take it up another level in the winter, and we publish a business plan with this headline strategy as the name. So this is where we're going. This is how we get everyone paddling in the same direction.

This is how we get leverage. And this is the time when Dan can join me on stage. Let's give him a round of applause.

Thanks.

[Daniel Hill] (53:32 - 1:10:41)

So I've been using this blueprint for all of my entrepreneurial life, every single business. And obviously, my objective is to try and as well as possible, enable you guys to get the same results. And strategy sessions, like Adam alluded, is both a project and it's a process.

So it's like the project between now and the strategy day is to come up with those headline strategy and three supporting objectives. But the process is more important. And the process is about getting the buy-in from your team.

You need your team to be standing there shoulder to shoulder and saying, this is what we want to do. This is the direction of travel for the business. This is what we want to do.

And they're bought in, they've contributed to it. And it goes all guns, all guns blazing. Dale Carnegie talks about how to win friends and influence people, talks about if you want to get somebody's buy-in, the best way is to let them think it was their idea.

So within this, you want your team to believe that it was their idea and that they've contributed so that they're bought in. They don't feel like they're trying to help you achieve your mission. They've contributed, they've chipped in, this is what they want to achieve.

And you go and do it collectively. When we talk about success and failure being very predictable, we don't want to basically talk them into it, make them think it's their idea and brainwash them. The reason we want them to think it's their idea, and we want their idea to be the same as yours, is because there is only one right decision for your business.

And this is what these three months, now two months, is about, is figuring out what is the right decision for the business? And what is the right headline strategy? And what are the right objectives for the year ahead?

And that's the difficult bit. The reassuring thing is success and failure very predictable. If you choose the right destination in the sat nav, and you choose the right support and objectives, you will get the outcome that you actually want.

And this is the strategy sessions do. What I'm going to do in this session is something that we've not done previously. So the success that we've had in our businesses has been based on my ability to use this blueprint, and make the right decisions.

The successes that we have on the board is the fact that I work with the board members shoulder to shoulder in the boardroom on the mentoring calls, and help them to make the right decisions. If I could help you to choose today, basically tell you what your headline strategy should be, and what your three support and objectives would be, who would get huge value from that? Cool, I'm not going to do that.

Of course I am. What I'm going to do is I'm going to take you through this. By the end of this session, you will know exactly what the destination in your sat nav is going to be, and what the support and objectives need to be for next year.

And it's going to save you eight weeks of work. Sound good? Excellent.

There's three points for your action list today that's in your workbook, and there's three points for your agenda. What I'm doing with you now is the same activity you're going to then go and do with your team, who are going to give you the same answers that you're going to give me today. And the outcome will be the headline strategy and the three support and objectives.

There's three things that we look at to make the right decision in the business. The first is the market cycle. And what this is, is strategic positioning.

You know, if you're running around at the minute, and you want to build an empire based on leasing hotels to refugees, you've probably missed the boat. No pun intended. You've probably missed the boat, because that is now, the plug's been pulled out, the water's going to pour out the bath, and that strategy is going to be completely disappeared in the next six months.

We need to understand where's the market? Where's it going? How do we strategically position?

The second is the business cycle. So the market goes through a cycle, every market, every product, every service, and so does your business. Every single business will go through a business cycle.

And it's this part of the strategy session that we use to decide where the headline, what the headline strategy is going to be. So your headline strategy will be based completely on where you are in your business cycle. And I'm going to give you the business cycle and show you where your headline strategy should be.

And then finally, is the support and objectives, you know, the three pillars that hold up your headline strategy, and the three key focus areas that you have to look at in your business in the next 12 months, is based on where your business is now. And this is a SWOT analysis, it's like looking at where are the weaknesses, where are the threats, where are the strengths, and where are the opportunities, and defining the support and objectives based on those. So this is the three things we're going to go through in this session.

And then outside of today, you're going to do this again with your team, take them through the same exercises, and hopefully, they'll give you the same answers. And I have test driven this on my team, Bianca can vouch for this. And it did work.

So this is the first step is the market cycle. So what you want to establish is where with your different businesses and your different portfolios, your different strategies, where are you in this business cycle. So I'm going to put some music on for a moment, and ask you just on this curve to jot down the various strategies you've got.

So if I was if I was going to look for an introduction strategy, what sort of thing would I be looking at the minute strategy business? Now there's introduction, high risk, lots of unknown. Not really, if it was like modular housing, or like the stuff that you see in Switzerland, I don't mean Switzerland, is it Switzerland?

Sweden, in Sweden? Yeah. Same thing.

Yeah. Thank you. Make sure you pack carefully if you go to one of those destinations.

So a strategy that would be like modular housing, where in other countries, they seem to have nailed it. In the UK, we seem to have gone backwards. LNG have just said they're closing all their factories now for modular housing.

It's like an introduction strategy, it may or may not take off. The biggest one that I would say a broad level is AI at the minute, you know, AI is in that introduction phase where everything's crazy, we don't know what's going to work. When a few things land, chat GBT, then we start it starts to become a bit more commonplace, it'll go into the growth.

What's growing at the minute? What's like hugely over demanded, under supplied strategies? Supported living?

Yeah, I'd say even higher than that is probably like just basic PRS sector is demand far exceeds supply, bless you. HMOs even, you know, in the majority of areas, HMOs, the demand exceeds supply, there is a second wind of growth opportunity in that. However, you need to be sure is it a shock or is it a shift?

Don't get too carried away. But growth, maturity, you know, what's getting hard now used to make loads of money now it's a bit difficult. Buy to lets absolutely for cash flow, buy to lets.

SA, everyone seems to be having a tough time with SA at the minute. And then decline, like what's actually declining on its way out, probably you're not going to be here in 12 months time, 24 months time. What was that?

The Tory party. Unfortunately, probably quite likely the Tory party. Absolutely.

Or like I said, refugees in hotels, you know, the stuff you see, you know, it's on its way out. And you would be, you know, you would just be silly to be going into that space. So we're gonna stick to Musicon and just mark on this, understanding where you are, where do you think you are on the curve?

If you've got various businesses, just mark where they all are. Okay. And again, this is all about like success in business is all about strategy.

And it's all about making sure this is what we call it strategic positioning. It's that you get every year you're going into a market with as low a competition and high margins as as possible. The aim of the game is to actively invest and grow up the curve.

And then when you get to here, find a way to get back to the beginning. And there's two ways to get back to the beginning. What are they the first would be to exit absolutely sell wind up and you want to sell in the green, not in the yellow, you know, sell on the way up, not the way down.

And then the second would be basically to reposition, you don't have to throw the baby out with the bathwater. And if you were running professional or I was running professional HMOs in 2015, rode it to the top of the curve got saturated, I could have either like let it go down, or I could have repositioned it to support and living or to students, you can go back to the beginning of the curve. And when you see this diagram in other places, you might see a little kick here, you have decline, or you have reinvent.

And it basically means you just reposition that stuff. And you go back to the beginning. The aim of the game is always to stay on the crest of a wave.

Now, ideally, you would start every year and say, right, where's the new crest of a wave? What am I going to do? And you ride it low competition, high margins, make loads of money, everything's easy, just got to worry about the back office.

The reality is you can't really do that when you've got businesses, you've got teams, you've got products, you've got clients. But it's just acknowledging where you are on the curve, and where there might be an opportunity that works with what you're doing to bolt in or reposition or shift to benefit from that easy money, the tough bits at the top. And you know, that's just high competition, low margins, you don't want to be there.

So this is the first part of strategy session, get your team to offer their feedback, have a conversation, explore the options. And then you would make some decisions based on where you are in the market cycle. The second is where we're going to look at headline strategy.

And this is the business cycle. So when I said to you, like, I will tell you what your headline strategy needs to be for the next year. This is how you do it.

And the headline strategy is the destination in your sat nav. If you get the destination, right, you're going to end up where you want to be. If you get it wrong, you're going to end up in a place you wish that you were.

In the same way that in our businesses, we have different profiles of people. And the same way on the property entrepreneur blueprint, we have the four seasons. This is the same cycle that our business goes through.

So you've got the spring, summer, autumn, winter, you've got the dynamos who are great for starting, you've got the blazes who are great for selling, you've got the tempos who are good for service, and you've got the steals that are good for the stats, you know, it's, it's a very clear cycle. And the business cycle is exactly the same, but your business will go through this cycle. And you've, you've heard us talk about it before, what do the dynamos do in the four stages of the cycle?

Absolutely, the dynamos are forming new products, new ideas, new markets, the blazes. Absolutely, they're storming, scaling, making sales, turning the tap on when nobody else can keep the water in the bucket. Autumn, tempos, norm, cruise control, letting the business stabilise, letting it settle, and winter.

Absolutely less than 5% of entrepreneurs ever go to step four. It's where the money is, it's where the money's made, refining, efficiencies, low revenue, higher margins. It's what Adam did with Capital Living, that gave him, that won him entrepreneur of the year in 2018.

He'd had the business for eight years or nine years. And he just did that last shift, optimised everything, reduced his revenue and doubled his profit. So this is the, this is where the easy money is.

So we've got those four steps. And this is the four cycles of your business. And you're going to be in one of these stages.

So if you're at the beginning, you're starting, so let's say you got a new product, or a new service, or even a new business, your headline strategy is going to be around starting, it's gonna be something to do with starting the business. If you've already started it, and what we're trying to establish when we start, there's one thing we're trying to establish when we start a new product, service, or business. Absolutely proof of concept, does it work?

Do one or two, kiss some frogs, stuff doesn't work, find something that yes, this works. Then we scale it. And over here, we're looking at growth, we're looking at leverage, we're looking at expansion, this is all about scaling.

The fourth phase of the business cycle is about service. What you'll find at the end of a storm phase, if you've probably got loads of revenue, loads of clients, but they're all disappointed, they're all annoyed, service levels through the floor, growing pains, service failure, you go into norm, you've done all this stuff, tried loads of stuff, now you're figuring out what works, you're going to stage three, which is a year of cruise control, letting it tick over, letting the dust settle, letting it calm down, no more revenue, just letting things bed in and figuring out how does it work, letting it normalise, focusing on service, focusing on your clients.

And then finally, the fourth step of the cycle is the stats. It's data and dashboards, it's KPIs, it's P&Ls, it's just really looking at that refinement, and that really is where the revenue is made in scale, money is made in stats, profit is made in the stats. So, if you're up here in the start phase, it's all about design and build.

It's all about designing these new ideas, designing this new business, designing this new product set, and then going out and actually figuring out what works, concepts, prototypes, testing the market, trials. When you're scaling, it's all about marketing and sales. It's literally all you're focusing on if you're in that phase of the journey is marketing and sales.

How do you turn on the tap? How do you get more people to listen? How do you get more leads?

How do you get more revenue? If you've got that revenue now, and you've got the scale, and the thing's just holding itself together with, you know, it's just resting on its laurels, or it's flying by the seat of its pants, step three is service and operations. It's like now you've got a business, you've got clients, how do you make it sustainable?

How do you make it efficient? It's all about delivery and operations. And then step four, where less than 5% of entrepreneurs actually go is data and finance, is where actually is the business?

And it's dashboards, it's data, it's P&Ls, it's margins, it's models, it's cost savings, economies of scale, critical mass, sweet spots, commercial balance. Everyone's eyes are glazing over. Profit, who wants some more profit?

There you go, money, that's where you get the money from, so it's doing that. So I'm going to ask you to do, we're going to stick some music on for 60 seconds, and I'm going to ask you where you think you are in that cycle. You will know roughly where you are in the business cycle.

So put some music on, and just jot down where you think you are. Got a microphone, please? Oh, it's not, it's a private one.

Okay.

[Bianca O'Connell] (1:10:43 - 1:11:13)

I'll repeat it, I'm on. Okay, Sarah's got a really good question.

[Daniel Hill] (1:11:13 - 1:15:55)

So she's in the form stage, has started a new business in the last year, and had lots of early successes. Many of you last year would have heard that in last year, there was one month where she did more revenue than she'd done in a whole previous accounting year, which was amazing. And what she's saying is, which is quite wise, especially on young shoulders, is that she's in the form stage, making some money, is getting ready to scale.

But before she does that, she wants to get all of this ready, so that she can limit that storm phase and basically try and skip the gear. We obviously say you can't skip the gear, saying what can I actually do? What do I need to do?

Elon Musk spends hundreds of millions of pounds trying to figure out how to build rockets and get them to take off so they don't blow up. What happens? They still blow up.

The aim of the game is before we go into a storm phase, we do everything we can to try and stop the rocket blowing up. But we go into it with our eyes open that even if it makes it to sub-orbit, something's going to fall off, something's going to break, and it probably will blow up, and then we'll normalise. So you can get 60-70% of it right, 30% of it wrong.

But if you do more proactively, then absolutely. That's a really good point, yeah. So the question was, can you have a year in normalising stage when you're actually still forming?

And Guillaume said, well, that's what winter's for. And I said, absolutely, that's why you have this same cycle every 12 months. So really good question.

Yeah, hopefully you know now where you are in the business cycle, and you've got a reasonably good idea. And then what this does is you could have a million different headline strategies. Me helping you in this capacity is going to narrow it down to less than 20% of what it could be.

So we're going to get rid of 80%. We're going to save you 80% of time this year by telling you there's only eight different headline strategies that you can have, really. You're going to be in one of these spots now, 1, 2, 3, 4, 5, 6, 7, 8.

And one of these is your position in the business cycle. And based on what your position is in the business cycle, it will define what your headline strategy is. So in your strategy session with the team, you ask them where do they think we are, 1 to 8, in this cycle.

And then what you'll do is you'll create a headline strategy based on that number. So if you're number one, your headline strategy might be something like proof of concept. If you're step two, it might be something like warm the tyres.

Step three, you know, you're going to go storm, it would be something like ride the rocket, you know, you just know you're going to go into that sort of experience. If you've ridden the rocket, you're then going to slow down to speed up, you know, you don't want more growth, you want to consolidate rather than scale. If you're at number five, it's probably more like five star service or world class service, it's something that represents being at number five.

Six, you know, stop driving by the service and the sentiment and the feet on the pedals and start driving by the dashboard, drive by the data, you know, a headline strategy that moves people from service and sentiment into stats and data. If you're at seven, it'll be something like bottom line time. Now we've got this revenue, we've got these systems, we've got this data, let's do a profit year, let's drive everything to the bottom line.

Or top left is, you know, you've done all of that, you've got to here, you've completed it, then what could you do? Well, you could sweat the assets, you know, you've got this amazing business, it's making loads of money, it's world class, it's refined, it's profitable. But you're not making the most of it.

And you go and sell it on a license, or you franchise it, or you scale it, or you go online with it, go virtual with it, create an AI version of it, whatever, you sweat the assets. That process is basically what I've done for the last 10 years, intrinsically in my businesses, and what I've done for the last 15, 20 years in my businesses in the last 10 years with the board, and hopefully now having created a blueprint for it, it'll get rid of 80% of the things that you don't want to do. And it'll give you and your team the blueprint that you need to figure out what you do do.

And once you've gone through that, decided where you are at four, then which number you are at eight, you can come up with a headline strategy that reflects that and aligns with your sort of culture and your vocabulary, bless you. And that will give you your headline strategy. Good.

Yeah. Excellent. I'm very pleased.

And then for my next trick, supporting objectives. So you get that headline strategy, right, we're going to ride the rocket bottom line time, five, five star service, whatever it is, how do we do the support and objectives? Well, ahead of the...

Matt.

[Speaker 4] (1:15:58 - 1:15:59)

We've got a mic, please.

[Daniel Hill] (1:16:02 - 1:16:06)

All right, smashing. Sorry. Sorry.

I didn't realise I had to do stuff myself. No problem.

[Speaker 3] (1:16:09 - 1:16:10)

Can you believe it, Matt?

[Speaker 4] (1:16:11 - 1:16:49)

Me being loud, who would have thought? Just going back to Sarah's point, just I just want to make sure I've got this exactly right. So say for me, I'm just starting my business.

I'm in form 100%. But I like the idea of going to proof of concepts. I've said I've given myself a time frame already, which is six months to go and get everything ready and then start selling or going to find deals when it comes to summertime.

But when looking at this, is it right that I should just do a year in form, a year in storm, year in norm, for example, like that, rather than trying to do it all at once? Because I feel that could be too rushed. And I'd make loads of mistakes.

[Daniel Hill] (1:16:49 - 1:17:38)

Well, Guillaume's point was really good. And it isn't one that I consciously acknowledge, but it's absolutely right is headline strategies at macro level, so 12 months, whereas the seasons are at a micro level, which are 12 weeks. So it's like, you could have a bit of all the seasons in one cycle.

If you haven't got a product that works, there's no point going trying to sell 100 of it. Proof of concept is about planting 100 seeds and finding the one that grows. And it's like a lot of entrepreneurs won't do that because they spend their life doing businesses that don't make money or do deals that don't make money.

You're better off saying, Adam's better at this than I am. I'll say, let's go and do this. It'll be amazing.

I know it's going to work. And he's like, let's test it. Let's try it.

If it works this year, then we'll do it next year. And I'm like, I think in days, not years. So it's probably more of a mindset piece that helps.

[Speaker 4] (1:17:38 - 1:17:40)

Rather than a time frame piece.

[Daniel Hill] (1:17:41 - 1:18:22)

Yeah, because you don't want to, you got to find the whole wealth dynamics blueprint is built on two things. One is value, and the second is leverage. So if you've ever seen this in the middle, V times L, it means value times leverage.

And value is like something that is Crest of the Wave, low competition, high margin. Until you found value, there's no point scaling that. If it's crap, you don't want more crap.

You want to find a needle in a haystack, kiss the frogs, find the thing that works and then scale it. You wouldn't do that in 12 weeks, it would take a year. And the reality is, if you do it properly, most of the time, what you think is going to work won't work.

And you come across something completely random, you'll be like, wow, I can't believe that's that worked.

[Speaker 4] (1:18:23 - 1:18:24)

Yeah, cool. Yeah, thank you.

[Daniel Hill] (1:18:24 - 1:22:24)

Excellent. And then finally, is support and objectives. So there's only three support, you only need three support and objectives.

And again, when you've got complete full rain, you won't know where to look. With this blueprint. Now you can go into your businesses into your strategy sessions, and it'll be crystal clear where to look.

So you do your SWOT analysis, which is you're already doing in your journals, strengths, weaknesses, opportunities and threats for your business. And what this gives you is your three support and objectives. So when you've got all that information, the answers are already there.

With the support and objectives, there's only five things, like there's only eight things that headline strategies can be, there's only five things that support and objective can be. And the five things are, if you're in dynamo phase, it's all about product. Is the product as good as it can be?

Does it need to be developed? Is it world class? Or is it still work in progress?

The second is marketing and sales, you know, if Matt goes out this year, kisses a load of frogs, one turns into a prince, congratulations, Matt. And then he wants to go and make an army of princes is into marketing and scales, marketing and sales. How do you scale it?

Once you scaled it, and you're in that storm phase, it's then into autumn. And all it's about is operations, operations, systems and service. And then if you've got that norm phase, you've got the operations, you're then into finance.

And that's literally it, there's only five parts to your business. And there's only five things to choose from. And what we do is you then say to your team, right, we've decided this is the destination in the sat nav of these five things, products, marketing, sales, operations and finance.

Which ones do we need to work on? But what are the three? And what are the three?

Basically, what have we nailed? What's world class? And what's world work in progress?

And what are the three core focus areas, we can only choose three that we need to work on. And when I did this with Bianca, I said to Bianca, you know, these are the five things we can look at, what do we need to work on? And we said, sales is world class, you know, we know how to sell conversion rates are strong, we've been doing it for a decade, we know how to sell, we've been doing it for a decade, operations, hopefully you'd vouch for the fact things in the main work pretty smoothly, they work, they run, everyone's happy, we're happy, it's not stormy, it's normalised.

And then we're like, well, products, we're still developing advanced, we're still building out new blueprints. Every year we're creating stuff. Marketing every year, it's still me jumping in the battle lines doing the marketing campaign, we need to refine that.

And finance, it's okay, it's good. But it's like, we want to take it to the next level, build out the team refine what we do. And when you've got those three things, it will tell you what your three support and objectives are.

So looking at those five now, if you were to rate each of them out of 10, what you'll find is that one or two, you'll be really strong at, you're great at sales, or you're great at marketing, or you're great at finance, but actually, the product needs work or the marketing needs work. And what that will give you, when you look at those five things is it will give you your support objectives. And it will say, right, well, our three support and objectives are going to be one's going to be around product, work in progress to world class, one's going to be about marketing, world class content machine, one's going to be about finance, bottom line time, they would be objectives, and they would be the three, three that you have.

So that is the brief for that's the agenda for your strategy session. That's the three models that you need to use yourself and then with your team. And that will give you your headline strategy.

And it'll give you your three support objectives that help. Excellent. Let's welcome Adam to the stage.

[Adam Goff] (1:22:30 - 1:27:32)

Thank you. Okay, good. Love that session.

So for those people that are tuning into midweek mentoring. So Michael Taylor, the winner of property entrepreneur last year is going to be hosting the midweek mentoring about how to set an award winning headline strategy. So I suggest you get that in your diaries for the 22nd of November, we've made that available to advance this year.

Previously, that was just available to the program. So you get the link for it in the circle app. So tune in for that get in your diaries, get it on your action list.

Thank you, Michael, for doing that's gonna be very high value. So now before we go to the break in about 20 minutes or so, we're going to get you doing this. Because we're all too busy.

We all leave here with the best intentions. But the reality is, we have to do this and we have to do it now. So what better time than now.

So this is the agenda. And some of you will be familiar with it. In fact, you all should be broadly familiar with it.

This is the agenda that you run your team through to help get their buy in the creative collaboration I mentioned when I introduced Dan, and basically what he just took you through. Okay, so these are the three different areas, market cycle, business cycle and SWOT analysis. And this is what you'll be sending them now we've sent you this or it's in the app, both just in the app.

What have we done with this is the agenda for strategy sessions. Perfect. So it's in the app even better not on WhatsApp.

That's exactly what I asked for. So thank you so much. So this is in the app.

So if everybody wants to get their phones out now open their laptops, go into the app. It's under resources and links, workshop two. So we've written the invite to invite people to your strategy sessions.

And we've written the agenda. So if everybody just gets that up now, whose was that? Oh, the laptop?

All right, I'll let you off. No, it's okay. No, no, it's all right.

I'll let you off. I'm not. I'm not a complete savage.

Was it really the laptop? Okay, I'll take that. Okay.

Scout's on if you say so, I believe you. Probably better to look in the app. You can get to the app on your laptop.

So who's got the URL for the app on the laptop? Steel. Hating it.

Literally hating it. Property. It's okay.

Don't worry. That's what we're doing all together as a team. So someone who's got the URL, pardon?

The app. We've got a URL for the app. Yes.

Oh, yes. So go to resources. Good question.

Down the bottom. Workshop two. Yeah.

Everyone following me? Wicked. Okay.

So now we're all there. We're all there. Great.

Okay. Ladies and gents, we're going to have 10 minutes now of focused work. Please listen in.

So I won't be repeating myself. So you're going to have 10 minutes. Please put your phones down and stuff.

Oh my goodness. I should have agreed to this after, shouldn't I? You're going to have 10 minutes now.

And this is what you're going to do. You are going to... Who's that?

Who's that? Who's that? Is it a phone?

Okay. All right. Put your laptops on mute.

That is your gypsy's warning. All right. Listen, you're only cheating, you know, the homeless.

It's only get up and give back you're cheating. All right. So look down Norman in the eyes at break.

Yeah. Okay. If you can look him in the eyes and tell me that was a laptop, then so be it.

You're only cheating yourself and all the poor people in the world. So what we're going to do is we're going to book the strategy sessions into the calendar. So when are you going to do them?

When are you going to do these with your team? You're going to look at your calendar and you're going to book them in. You're going to book in as many as it takes, maybe a first one and then give yourself a few weeks to think about it and then a follow-up.

Maybe it's going to be separate ones with your heads of department or different people. It's going to be one group, one and some separate ones. You're going to think about that and then you're going to action it.

That's the first thing you're going to do. Then you're going to put in the diary when your strategy day is going to be. Now, bearing in mind ours, I think is on the 14th of Jan, give or take, you could make it after that.

You could make it before that. You're cool. You're going to decide that and using the resources in the app, you're going to invite the team.

You're going to send them the agenda in session one, book it in. Sorry, that's the session three, obviously, is you're actually going to send these out. You organize the dates to yourself, get it all in the calendar, get in the app, get the templates, edit them.

If you can, send them out now. This is literally take action in the room. This is happening because you're going to make it happen now.

I'm not even going to talk anymore. If you've got a question, any initial questions before we start? Tony, just super quick.

Just focusing on main business.

[Speaker 4] (1:27:32 - 1:27:34)

If you've got multiple businesses, it could get messy.

[Adam Goff] (1:27:34 - 1:28:15)

Let's just do one for now. You've got 10 minutes to get something done. Let's make inch wide, mile deep.

Let's just go all in with one. Good question. Any other questions?

Hand up if you need help. Chelsea, you got a question? There's a URL.

You can get on with the URL. Does anyone know the URL off the top of their head? Boom.

Entrepreneur.circle.so. Sarah, have you got that now? Awesome. Okay.

I'm going to put some music on. You've got less than 10 minutes. Let's get this done in the room.

Off you go. Boom. Deck.

[Bianca O'Connell] (1:38:47 - 1:38:48)

There, please, ladies and gents.

[Adam Goff] (1:38:52 - 1:41:34)

Getting more attention. Hopefully, you've now got a date for a strategy session at least. You've got a date for your strategy day.

If you don't know the location, it's a save the date. Hopefully, who actually managed to send out an agenda, or at least to their EA to send out an agenda, to their team or someone in their team? Who's actually got that far, just so I can get an idea?

Okay. A handful of people. Okay.

You've still got some work to do on this, but once you do this, then you've raised the stakes, haven't you? You're doing it. That's the most important thing.

That's absolutely fundamental. This is what it's all about this month, getting all these things done. The slides don't seem to be in sync deck anymore.

What I'm going to do now is I'm going to get you to... This TV's gone off, actually. Can you get your journals out?

Laptops down. Journals out. We're going to give you some new cave time topics for the month coming up.

I'm going to ask you to put them in your journals now. Journal out. Laptop down.

If your laptop is your journal, fair enough. Give us the journal back, which we spent all that money on. I want it back.

It's bloody expensive, unless you've given it out as a gift. Are you a cheap bastard? A lot of money.

I think it's like £999. Priceless. You can't buy them.

First new cave time topic, new page, new double page, leave some space. Year of. Year of at the top.

Let's do it with me. Year of. Let's get it in the journal.

Year of. We're going to start thinking about our year of. While I'm talking about year of, also in your action lists, Dan Norman will be doing the midweek mentoring on year of.

He's had some absolutely cracking year ofs over the years. 8th of November, so next week, he'll be leading a midweek mentoring session on that. You can get all the insight and extra help, questions answered that you need to motivate you to get the juices flowing.

Maybe even book a cave time session after the midweek mentoring. You use that as your way of getting in a flow state. Then at 1 o'clock, you're like, right, I'm going to do an hour's cave time on this right now because I'm already in mentally, so I might as well just commit.

Block that out of the diary now. Next, new page, turn over or leave yourself a couple of double sides, your personal objectives on the top of a new page. Let's write that in.

Double page, turn over, professional objectives. Turn over professional objectives.

[Bianca O'Connell] (1:41:41 - 1:41:42)

Good stuff.

[Adam Goff] (1:41:43 - 1:47:23)

Okay. Now, the next one is optional, so turn over the page again, and this is what we believe life's all about, experiences, challenges, and adventures. Why don't you write those three things across three more pages or over a couple of double pages and fill in the blanks where you might be getting some of these things this year.

Challenge, get up and give back. Adventure, a new holiday, a new ... put yourself outside your comfort zone, et cetera, something exciting, something new.

Experience, travelling business class for the first time because you've figured out how to earn 100,000, 150,000 air miles a year because you've watched my video in the app. More on that later. What's it going to be?

Is it tipping at the start of a meal, which you've never done, which Jim Rohn always goes on about. What experiences would you like this year? Get those in there.

That's an optional one. It's an invite. New page, your reward.

If you've done your long game and you did your homework, you've probably already got your reward. Good for you. If you haven't, this is the time when we can start to pick something.

Your permission to dream, so get that in there. I've had some great rewards over the years. I know I keep sharing them, but I really do love them.

One thing that actually came out of one of our mastermind sessions this year, when you're thinking about travel, for those people that think that holidays are pointless and it's a waste of time and they don't get why people go on holiday, I just want to make something really clear. Going on holiday is not going on a 2E holiday, 10 days in a 2E hotel and all inclusive. There's value in that.

There's rest, easy, relax. When I go travelling and I go to different countries, I'm filling up my cup. I'm going to new cultures that is lighting my fire.

I'm going on retreats to learn something. I'm putting myself in an uncomfortable situation. I'm not just mindlessly backpacking and getting pissed every night.

There's things that I genuinely do, whether it's going to Japan, learning to snowboard, learning to surf, going on emotional retreats, anything and everything, I am learning. I don't want you to think that if you can combine travel and learning, if you're one of those people that can't just sit on a beach, that's what you do travelling for. Don't just do it down in Blackpool.

Just fly to the States and do Date With Destiny. Tag it onto a trip. I've done all sorts of things, like I said, been with the monks in Thailand, been in Peru, zenning out, but obviously sometimes I do just go to Burning Man and get pissed, basically.

I thought it was going to be a really spiritual festival, travel eight hours into the desert in the middle of nowhere to find myself. Turns out it's like someone puts an espresso martini in my hand and I'm like, all right, OK, we could have just done this anywhere. But that's the point.

That's what cave time is all about. It's about trying to figure out what you really want for yourself, what really works and what really doesn't. So you've got all those in your journals now, so I'd encourage you, now it's easy, you can just pick up the journal, you know the exercises, they're in the book, and just tick them off as you go.

Because at the back of the workbooks, if you go to the back of workbooks now, we've even given you a list, a checklist of what to tick off in terms of your cave time topics. So you go right to the back, yeah, homework. You can see, there you go, Guillaume's got it.

Exactly. What page is that? Yes, 29.

Who said 31? Funny because it's on 31 as well. Yeah, 31 is the homework, but 29, you've got your autumn checklist.

So we're making it super simple. Well done, Guillaume. So you can go through those, you know, visually go through it in your journal, look in different sessions as part of your Sunday sanity.

I'm going to do reward on, you know, I'm going to do year off on Wednesday after Dan's session. I'm going to do my reward on a Saturday morning because that seems like a really cool thing to do, you know, get excited, et cetera, et cetera. Okay.

How's session one been, ladies and gents? Good. Getting stuff done.

We like it. New format. Brilliant.

Good. One more new thing for 2024 is we want to make, we want you to make them a bit like what we did at 9.30, where we got you to line up in front of each other, you know, and peck each other on the cheek and all that sort of stuff. We want to want you to make the most of the breaks.

No one cares how the traffic was. No one cares what the weather's like. All right.

And no one like, how are you? It's like, these aren't value questions. What I'd like to, what I'd like us to do from now on is ask direct questions.

Cut out the noise. What's coming up for you next year? Where's your direction of travel for your business?

What's your reward going to be? What was your biggest lesson learnt from last year? Okay.

Not how's the coffee, right? And, oh, peppermint tea. I like peppermint.

Okay. Like, it's funny because it's true, isn't it? All right.

So that's your challenge for break time. Let's get the most out of these days. Is that okay with you?

Who's not going to do that? Who's not going to do that? Just Ashley.

Okay. Round of applause. I'll see you back here at 12 o'clock.

Thank you very much.

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Session 2\_Transcription

[Adam Goff] (18:59 - 26:12)

Okay, ladies and gents, that is your two and a half minute warning. Two and a half minutes till showtime. Okay, everybody.

This is your two minute warning. We've got two minutes till we're off. Two minutes.

Back in the room, please. Okay, ladies and gents, that's your one minute warning. Can you finish your conversations now, please?

Make your way back to your tables, take your seats, because we're starting in just under one minute. That's your one minute warning, ladies and gents. Back in the room, please.

Okay, ladies and gents, can I get a round of applause, please, as I make my way to the stage? Welcome back. So is, how is the weather in Burnley?

How did we find that? Did we stick to it? Okay, it's gonna take a bit of practice, but we want to, yeah, we want to change the culture.

We're a bunch of high performers here. Okay, so before we go, we've got a special guest, as I've said, for you for this next session. But before we go into that, there's a little bit of a housekeeping, and then I'm gonna just remind us of something we talked about last month.

First thing is, private dining for today, just while we're here. So my table is Adam Hassan, Claire, Feeney. Actually, Hema's not here, is she?

So you could probably change that, Bianca, if you can. Michael Taylor and Chris Moss. Dan is Abs.

Casey, Guillaume, Keelan, who I'm not sure is here either. Matthew, Brereton, Stephen Blunston, and Jackie Goodman. And then with Adam Lawrence, our special guest, it's Ashley, Rachel, Chelsea, Anthony Carter, and Will.

So well done to them for getting in there first on the app. That was seriously fast, his finger first. That was very impressive, ladies and gents.

So just a reminder about something that Dan dropped at the last workshop. So if you are, by the way, if you're looking at a laptop right now, it's probably time to close it, Brett. Okay, time to get it closed.

See how I did that without even looking at him? Isn't that amazing? Okay, this sentiment.

You are actually, like, who are you? You are actually the things that you do and the way that you do them. Basically, you are how you show up in the world, all right?

And this is all about raising our standards. Did you want to get a picture of that? Did you get a picture of it?

You got it? Yeah, go for it. Be my guest.

Absolutely. I love that one. You know, you hear quotes like, you are so welcome, Stefan.

Be the change you want to see in the world. This is really about the presence that we're bringing, the energy, the contribution we're making to human or to mankind. So we launched this at the last event, Raising Your Standards, and we want to think about where we're going to actually create new rules and therefore new habits and standards out of those rules.

So I'll share a bit of insight with you. Who's got a laptop that looks a bit like this? Just me and Bobby then, yeah?

Suzanne, there's a few other people, there's a few liars in this room, okay? All right, because this was my MacBook. All right, this is disgusting, and it wasn't just the desktop.

It was multiple tabs across multiple monitors. Dan almost threw up on the retreat when he saw my MacBook, and I couldn't believe his MacBook. He had to turn it on when we used it, and it was nothing open, and I was like, is this new?

Huh? No, he's on a Mac now. I've won that battle.

I know, I've won that battle. All right. And I was like, well, he's like, no, no, this is how I was like, what?

You actually shut it down? I was like, I haven't shut my laptop down since I bought it, like two years. I didn't even know you could.

So I tried to get my girlfriend to turn her iPhone off the other day. She's like, how'd you do that? And I was like, seriously?

So yeah, that was my, that was my, that was something that came straight to mind. You might think it's a bit of a low-hanging fruit, but actually this is about closing down the brain, isn't it? And I remember an art teacher at school once taught me that it's very important to clean up your space after you create.

It was very big on, you know, washing the paintbrushes and cleaning up the space, and there is something probably very good for our mental health in doing that. So that was my new standard. So I have, God, I've just realized that my laptop might actually be on stage after lunch, so I really hope it is clean.

But, my new standard now is, you know, close things down, shut down the laptop at the end of the day, don't have 30 tabs open across three different browsers and all the different screens on the Mac you can scroll anywhere. I won't bore you with the details, but that's my new standard. So, how have you been getting on with your new standards?

I want to share anything with that. Who's raised a standard that they'd like to share? Ashley?

Yeah. Richard? Good hands.

I've started putting the toilet seat down. Love it. Rachel, do you concur?

[Speaker 9] (26:14 - 26:18)

Yeah, but, I don't flush, but, you know.

[Adam Goff] (26:21 - 26:27)

Hang on, hang on, let's get the mic if this is gonna be good. This is gonna be good.

[Speaker 4] (26:28 - 26:51)

I was having my two-weekly moan to my therapist, and she said, it was about phone calls, about when I'm doing a viewing and Ashley calls me on the phone, and I don't want to answer it, and she said, Rachel, do you like 80% of Eschle? I said, yeah, just let it drop. So now, I embrace the 80% of Eschle that I love.

[Adam Goff] (26:54 - 27:00)

80-20 rule in relationships. Love it, that's great.

[Speaker 4] (27:00 - 27:08)

It works really well, so the toilet seat, he leaves it up often, but actually I've not mentioned it to him for quite a while because that's part of the 20% now.

[Adam Goff] (27:17 - 33:13)

That's true love, you guys are amazing. So I'm gonna ask Dex to put some music on now, and I'm gonna give you 60 seconds to reflect on the standard that you raised, or didn't raise, and potentially a standard now that you'd like to raise. So off you go.

Let's get into that now, back in our journals. Okay, I'm gonna draw it to a close there. Rachel asked me, how do I figure this out?

Some things to think about is you're more or less keep, and if you haven't had a personal SWOT analysis or feedback yet, that's a really good, someone can give you some really good feedback, like with your buddy, for example, some feedback on yourself, you know? It's like, how can you show up better in the world? Is it dressing smarter, being earlier, listening before you speak, right?

It's like, these are the kind of things like, don't be the first to the buffet, like, you know, it's like, they're just some examples that spring to my mind, but we can apply this to all parts of our life. Ultimately, how you do one thing is how you do everything. So we wanna be world-class, we wanna show up, we wanna be leaders, we wanna set the example, we wanna inspire the people in our lives, don't we?

Because the best way to get someone to improve is to inspire them to improve by you setting an example. That is definitely the way to do it. So yeah, I'm gonna set a standard for some of you in this room, which is when we do an exercise, and I ask everyone to think and I put reflective music on, is to shut up, yeah, to not speak.

So for those people that are really good at speaking while we're doing exercises, yeah? Tom, Jay, I'm looking at you, yeah? Claire, Shaini, I'm looking at you guys, yeah?

All right, for those people that always talk when we're doing exercises, and always like to sit at the back, that would be your standard, all right? I was just giving you that for free. I know, I'm really, I'm not pulling any punches today.

It's like, when you speak, you interrupt someone's thought process. So it's them, not you, right? And that's like, it's just a really cool thing, that feedback I've just given you, all right?

I'm not being mean, I'm not being a dick. I'm giving it to you because I want you to improve. So there you go, my gift to you, you're welcome.

Right, I got away with that, didn't I? So strategic positioning, maybe not. We'll see in the feedback later.

Okay, strategic positioning, yeah, exactly. People are pulling out, people don't want to know, yeah. Strategic positioning, right?

Let's go on to the main event now. All right, we've got through that. So observe the masses and do the opposite.

We want to do what everyone else isn't doing. We know that if we want to have high margins and low competitions, that we need to be highly strategic in everything we do, in business and in property. We need to study the market, we need to exploit the gaps.

That's what it's all about. So today we're bringing a guest mentor on who's done just this within the property space. Yeah, I didn't, I mean, I will be the first to admit, I wasn't aware of Adam before I got introduced to him, but his rise has been meteoric in less than, basically a decade.

He's gone from buying his first property, and he comes from, he's an Oxford graduate, graduated top of his class at the MBA, in his MBA at Warwick Business School. He's got a portfolio now with joint ventures worth over 50 million. He's been involved in over 650 property deals, and he's held on to almost 90% of his portfolio.

So this guy knows what it's all about. He knows how to scale up quickly. And in this window of opportunity, he's just the type of chap that we should be making our hero in role modeling.

So without further ado, let's give a massive property entrepreneur welcome to Mr. Adam Lawrence, ladies and gents. Adam.

[Adam Lawrence] (33:16 - 1:06:57)

No pressure, I love that. No pressure at all, brilliant. Fantastic.

I always think after an introduction like that, it's gonna be a problem when I actually stand here and present, it just doesn't sound like me, but there you go. That's probably my, the old impostor syndrome thing, which I've definitely suffered with over the years, but I'll try my best. So this presentation, I've called it Propernomics in Action because I have a fledgling YouTube channel, and I thought I'd make up a name that mashed together property and economics.

I wanted to try and mash business in there as well, but I just couldn't do it. But the cool thing was, if you Google it, it's the only iteration of the word, which I quite liked. So what am I gonna talk to you about today?

I'm a massive economics geek. Is anybody in here willing to admit they read my Sunday efforts to supplement? How are we doing?

One, two, three, four, five, six, seven, eight. No, a couple of the other guys do, so that's about 10. So that's great.

Everyone else is gonna wanna read it by the end of this, or they're never gonna read it again. So I write it once a week. I post it on my LinkedIn, also on the Partners in Property website.

And it is really my thoughts about the macroeconomy and property and what's gonna happen in the future. And I'm trying to really blow away a lot of the noise that there is in the media. And I write from a very, I have no agenda in it, apart from to try and organize my own thoughts and hopefully help out some others as well.

There is an occasional chart. There is an occasional chart, but that's why I started the audio version, Umesh. That is a fair shout.

So there have been, it has run to 8,000 words a couple of times, but I try and keep it on the level. But it's also a bit of a space, especially when I've got the time to do some original research rather than rely on whatever data is being spat out by whichever organization, sometimes which has an agenda, which I try to sort of look through, if you like. So I go to a lot of the source data.

And my undergrad degree, as Adam was saying, was in philosophy, politics and economics. And I majored in economics. And in my MBA, I also did quite a lot more economics as well.

So this is how I put it to use, I suppose, if you like. So I'm gonna talk to you about the current macro picture and a little bit of why it's relevant. Where we are in various cycles, because there's so many cycles these days, you have to watch which ones you're looking at and which ones actually mean anything to you.

What I expect to happen, because ultimately we want this to be actionable, what you should all be considering, and then ultimately what you're here for today, what should your strategic positioning be? So, right, first of all, few stats for you on there and a few numbers. Like I warned you, I am a bit of a numbers geek.

So everybody knows we had a pandemic. Don't need to spend any time talking about that. But post-pandemic, ultimately, what are we actually having to do as an economy, as a country?

We're having to deal with massive monetary stimulus. All this money pumped into the economy, most of it in quarter two of 2020, the lockdown came, nobody knew what to do. And to think that there wouldn't be longstanding consequences of that would be silly.

I think most of us knew at the time. Is it fair to say that there's no such thing as a free lunch and all the rest of it, right? So we knew we would have things to deal with.

And there are really two broad ways of looking or two schools of philosophical thought about economics. The monetarist school, which is the newer school, 1980s onwards, sort of expounded in Reaganomics in the US and what Mrs. Thatcher did in the UK. And then the old school way of thinking, which is Keynesian.

And the new school, the monetarist school would tell you, if you inject a lot of money into an economy, what is guaranteed to happen? Anyone wanna have a go at that? There you go.

And what happened, so this is why very early on I started talking about inflation. And sure enough, this was when I started talking about it in the supplement of Feb 21, when the Bank of England had just announced they were considering negative interest rates. Now, anybody who doesn't know, interest rate and inflation tend to correlate negatively with each other.

And that's why they put the rates up so much this year. And in the last nearly 24 months now, actually, because they're trying to choke off inflation by raising interest rates. Hasn't necessarily worked as well as they would have liked, but we'll talk about that a bit later on.

So what did it actually mean in numbers? Massive increase in the government debt there. Those two numbers there are percentages of GDP.

So that is how the world likes to measure debt because it's not very useful to compare our debt in numbers to the US or to Japan or to Switzerland because we're different size economies. So we look at it as a percentage. 84.6% all the way up to 107.7% of GDP. Now we've been in much worse shape. Does anybody know when we were in much, much worse shape than that as a percentage of GDP? Post-World War II, that's exactly.

Does anybody know where we went up to for a bit? Roughly? 250, about 250%.

And does anybody know how we got over that between like 47 and 70? No? Well, we did.

The Marshall Plan is a valid point, but really how we got over it as a country is we grew and we inflated it away, right? And how was that possible? Well, after a war, what's a guaranteed thing that happens to GDP after a war?

It grows massively because all it does is it measures activity. And this is one of the crazy things about GDP. It's not necessarily the best measure of what's going on at any one time, right?

It grows because there's rebuilding to be done apart from anything else. And of course, there's so many homes built and the economy was going great guns and it was able to inflate it away. But we didn't really have an awfully large concept of inflation as a general public when we went into World War II.

So this is all, you know, economics is still a relatively nascent social science. It's not that old. Things change and people get things wrong, which is why approaching 2008, we did it so very badly as a world really.

And also in the pandemic, why at least I think a lot of our economic policy was quite a bit better than some of other countries were. And we're down to 101.2% of debt, which actually as it goes today is a better percentage than the US who are about 115 at the moment. And Japan are still right up there in those sort of 250% levels.

And that's a real danger zone to be in because they've had a very, very sluggish amount of growth over about the last 30 years. And I use Japan as a bit of an example because we're not massively dissimilar in that we're long industrialized, developed societies. There are a few significant differences, but it's one of the more comparable economies to ours for a number of reasons.

So as I say there, there's only three ways out of it. One is inflation. Now the problem with inflation is it's difficult to control.

So there's the truth of what the central bank target is 2%. That's set by the government. They could change that if they wanted to.

Politically, it would be quite difficult. That target was only introduced in the early 90s by John Major at 2.5%. And it was chipped down to 2% in about 97, I think it was. And it stayed there ever since.

I don't believe for a second that's the real target for inflation at the moment because if you imagine, at a relatively simple level, and government ministers tend to be quite simple, and I'm not trying to be as rude as I sound there, it's because they have such a broad brief. So they have to have a very generalist skillset. So it's difficult to know everything in enough detail to do it.

Now don't get me wrong, when you go around doing justice to education, to housing, to everything else, you can't be an expert in all of those fields. But because they're relatively simple, they would look at a problem in the way that many business people would and say, well, at 2% inflation, it's gonna take us 30 or 40 years to get rid of all this debt. But 4% inflation, we can do it in less than half the time because of compound interest.

So actually, would three or 4% inflation be a big problem? And the answer is probably no. But the problem is, and the point of the 2% is twofold.

One, it keeps it under control because people's expectations are important when it comes to inflation. And two, deflation would be much more damaging. So it needs to be far enough above 0%, which would cause a big problem.

Again, going back to Japan, something they've battled with over the course of the last 30 years. What else can they do? They can increase tax so we can directly pay it back.

We've borrowed money, we distributed it to everybody. Hasn't necessarily stayed in everybody's pockets, but that's the way of the world and the economy. So we just increase tax to pay it back.

Why don't we do that? Well, no one wants to pay back the debt. But ultimately, at some point, if you're not paying it back, your children are or your grandchildren are or whatever, ultimately.

And then the other one, which you really don't want, which Keir mentioned just then, default, economic contraction or depression, which obviously we have seen happen in the past. And if you remember the EU in the 2010s and particularly Greece, but there was Portugal, Italy, Greece and Spain and Ireland who had significant debt positions, when they really should probably have defaulted on bonds, the EU would not let them because the idea of defaulting on a government bond creates a bigger problem. It's not that no one ever defaults, even the US has defaulted in the past because the default is just missing a payment.

That's all it means. Even the US has defaulted in the past, but it takes away all of the money is like religion. It's the ultimate religion of the world.

And if you shake the belief in religion, and that's why you heard during the pandemic, all of these, particularly the Bank of England, but the Chancellor as well saying, we will do whatever it takes. Because if you lose the belief, because we have no gold standard or anything anymore, we have a fiat system, you could have a collapse that would have repercussions, 10,000 times bigger than anything that happened during the pandemic, and it just can't be allowed to happen. So what else is going on at the moment?

Tight labour market, you might have seen that in the figures. The US were at a point where they had two job opportunities for every single person who was unemployed and declared themselves fit to work. We never quite got that bad, but we were at more job openings than we were people available to fill them.

And again, that was a twofold problem. One, companies with plenty of stimulus looking to expand. And then secondly, a lot of people coming out of the labour market, some of that because we call it the great resignation.

They had to think during COVID and thought, I'm 53, got an unencumbered property, I've earned all this money, I've got a big job, why do I do it anymore? I don't know why I'm doing it anymore. And it really changed some of their philosophy.

I've always believed that inflation, contrary to what the Bank of England say, which is once you're at the labour market, you're not coming back in. I've always believed that inflation can force you back in. And the sort of inflation that we've seen over the last few years is starting to prove to be right.

Now, some people are at the labour market because of the extremely long waiting lists we've got as well, because the NHS has suffered significantly, because even though fairly significant resources were pumped in, if your budgets aren't there and your waiting lists get huge, more people are on long-term sick. There's a very, very clear correlation between those two things. The third reason why people are normally at the labour market is because they're studying for something.

And recessions normally bring more studying because qualifications effectively get diluted and devalued and you need the next qualification to try and stand out. So that's where we are. It's incredibly tight unemployment and that is actually historically unprecedented for us being in the sort of economic situation we're in.

We used to consider six-ish percent unemployment as perfectly acceptable and a sign of a healthy economy. There is a concept of the natural rate of unemployment, which I won't bore you to tears with, but we are at 4.2 at the moment and we've been down as low as 3.8. That's historically very low. Now, the problem with that, if you like, is that the Bank of England can look at that and go, well, we can afford a bit of unemployment.

But once again, it's not like the masters of their craft sitting in a room, pressing a button to go, actually, we can do with inflation going down by 0.7% in the next three months. They do not have that level of control by any stretch of the imagination. They have one big lever that moves the interest rate, which is slow and takes time to take effect and they can't necessarily control.

It takes effect over six to 24 months or even longer. And that's something I'll go into a little bit more detail on later on. And then household balance sheets.

So on the face of it, it looked a pretty good deal. In 2020, the government spent around about £450 billion stimulated into the economy. Household balance sheets went up by £950 billion.

Right, so it created value. No prizes, but I'm going to ask the question anyway just to keep everybody awake. What was the thing that was the major driver of household balance sheets going up so much in 2020?

Not quite, that is a point, but it's easier than that. It's almost a trick question. House prices, there you go.

House prices went up so much. So the vast majority of that was where the average person's wealth is generally stored. If they're a homeowner, it's in their home and that's where it all came from.

Market was up about 8.5% that year, if you recall. And then productivity. Productivity is an ongoing problem.

It's a fairly simple measure. It's looking at output divided by the cost of input. Now, what some of the problems are, when you have inflation, cost of inputs go up, cost of wages, cost of everything else.

That puts more pressure on productivity. But in reality, we've struggled with productivity since about 2007. We haven't really, we've had a unique problem to the UK, the US, Germany, places like that.

They have pressed on and increased their productivity. And there is a school of thought, which Ray Dalio would subscribe to, if people are familiar with him, that says if you can't increase productivity, it's very difficult to increase GDP. Which is a worry, of course.

So, where are we in the cycles? And these are the cycles that I've boiled us down to just quickly. The interest rate hiking cycle, capital economics, who I respect more than I do some of the other forecasters for sure.

So we're almost certainly done with interest rate hikes. The market today would tell you there's still another quarter of a percent in it. That's their best guess at the moment, but at or near the top.

Is base rate the most important thing to us? I would argue absolutely not. Unless we're sitting with a portfolio that is linked to base rate, it's not the most important thing to us.

The debt pricing cycle is much more important, right? So this is the cost of the five year, generally speaking five year, I talk in five year terms, because I personally use pretty much solely five year financing or longer. Some of that is due to administration reasons apart from anything else.

But generally speaking, it tends to be a lower risk strategy in my view. Thanks to what Liz trusted and the budget that happened or the mini budget that happened last year, that spiked significantly. And we seem to be past the top.

The top we saw for the five year bond. And that is how the mortgage rates are ultimately set and priced was 4.98%. Whereas this morning it was 4.18%. So we're in quite a bit better shape than we were. And I put there the swap rate close last night.

So for those who don't know what we do or what lenders do as a rule, is they've really got two sources of getting money to lend to us. Either they get it from their depositors, their savers, to pay them a lower rate, they lend it to us at a higher rate. They keep what's in the middle and their costs have to come out of that fairly simple business model.

Or they go to other banks or financial institutions and say, we want to borrow X hundred million fixed at this rate in the case of the five year swap at 4.31. What do they then got to do? They've got, they've just got to lend it. So they haven't got a saver at the end of that.

They've just got a lender and they lend it. It's like rent to rent effectively on pretty significant scale. 18 year cycle, as I've said there, I'm not a big fan, but if you wouldn't expect the 18 year cycle to be disrupted by a pandemic, which is 100 year plus a rare event, I think you need to probably think again about that.

And if you go back and look very closely at the 18 year cycle, sometimes it's actually 16 years, sometimes it's 20, sometimes it didn't happen. So it's an interesting one. But the pandemic cycle, some work that I did in 2020 showed that historically, you've got to go back hundreds of years.

You know, we have the Spanish flu that you might remember, but there obviously were other significant pandemics, black death, things like that, where massive swathes of the population died apart from anything else. And it generally meant unlike a war, lower GDP because people are saving money, people are contracting. And it meant in the fight between labor and capital, which is the only fight of interest to an economist like me, ultimately labor won.

And when I say labor there, I don't mean the labor party, I mean workers. Workers got paid more because they became more scarce. Now there was an argument this was going to be different this time around because people didn't die off in huge, huge swathes like they would have done in a black death style scenario, but they still removed themselves from the labor market, as we were saying earlier.

So you still were dealing with much tighter. What does that do? Just like anything in economics, the basic principles, demand and supply, supply is down, demand is actually up because everything's been inflated.

What happens? Price has to go up. It is as simple as that.

So where are we in the cycles? This is from the IMF, and this has got a few bits on there. And this was a prediction they put out a couple of years ago.

And the point is, how does it compare to number one, the red line, the financial crisis, and then other modern pandemics? So they would be more country specific, things like SARS and MERS and stuff like that, Ebola. And what does the pandemic look like compared to a typical recession?

So you can see there, almost all of them, the blue line, the typical recession, everything recovers a little bit more quickly. And this was an attempt to put it into context with how damaging was it compared to the financial crisis. And obviously the thought at the time, very roughly, is that it's around about, I mean, there it's pretty equal, there it's pretty equal, but it's about half as damaging or less than the financial crisis.

It just puts it into a bit of perspective, really. So we have to remember where the market interference has been, because when you mess with the market, different things happen. So repossession, there's been holidays, there's been bans, there's been forgiveness.

We're still in one of those cycles at the moment. Rent caps in Scotland, that's been an interesting one, because what does it, what's it meant? Does anybody know the city that has risen more in the last 12 months for new lets in the UK?

Kind of giving you a bit of a hint there, Edinburgh, dead right, over 15% up year-on-year rents, because the landlords say, as this is the only chance I've really got to raise the rent in any significant way, so I better push it as high as I can. And that's a direct consequence of the rent cap policy, which there's tons and tons of evidence that shows that rent caps don't work and they work against the market, but it's an ideological thing, unfortunately, not a factual thing, so it's one of those. Section 24, of course, that's interfered, and you could argue that in the last 24 months, section 24 has really actually started to bite, because when interest rates were nearly nothing, it didn't matter so much.

And even George Osborne, idiot that he is, gave us four years for that to be phased in, but it hasn't been phased in over four years. It's been phased in over about 20 months of interest rate rises. And there are landlords with portfolios at the moment in their personal names who don't even understand they've lost money this year, they know that much because they can read their bank balance, and then their tax return is going to come and they're going to get a tax bill.

And they're not going to believe it when they do, but they will because of the way the tax works. And then of course, immigration at record numbers, we know that 606,000 net immigrants last year, it puts even more pressure on the housing market. Of course, it naturally does.

And that led me to put this slide in really, because no one ever talks about it and annoys me. GDP is one thing, it's notoriously bad at telling you about the person on the street, right? But it's the measure that they all use and we're kind of stuck with it.

But why don't we talk about GDP per capita, as in per head, right? So you can see here, this is my drawing skills here, they're fantastic, aren't they? So that's the line from, how long did it take to get back to that sort of early 2008, late 2007?

So it took us there, you can see there, it's round about 2015, before we get back to, this is adjusted for inflation. So it took us the kind of seven years or a little bit more to get back there. Where was our peak?

It was actually Q1 2020 before anything really happened. And that's so not anywhere near as dramatic, although there was obviously a big U-shaped recovery, which was the hope of most people, but it's sliding downwards. Why?

When you hear there's no recession, because recession is just measuring all of the GDP, not GDP per capita. So people are worse off. There's more people having to make up the same domestic product, is what's happening at the moment.

So, what do I think is gonna happen? Yeah, lots of talk, mostly treacle, I described at the beginning of this year as treacle, it's slow, interest rate rises are painful, but you're almost waiting for certain things to happen. You've then got lots of people saying, well, wait for the crash, wait for this, wait for that, which frustrates me quite a lot.

Now, of course, you have to think about black swans, because the whole point is you don't see them coming. So, Middle East situation, what would the black swan be? Does anybody wanna volunteer an answer to what would the black swan be?

Go on. So, I was more thinking that Hezbollah, if Iran get involved, despite the US flexing its muscles, it's viewed as a very low probability event, which is the cornerstone of a black swan, with a really significant outcome, oil probably $150 a barrel or more if it happened, because China and Russia may well get drawn in on Iran's side, and it really could be something that look like World War III. I don't mean to scare anybody, that is a very low probability event, but that's what black swans are.

So, yields to decay very slowly, if anything like a soft landing has been achieved. So, where we might be, and it will be a fluke if we are, but where we might be is, people mentioned it earlier, people saved a lot of money during the pandemic, because they couldn't spend it, they couldn't go out. So, they saved it, and they saved it because they were scared.

So, there were no savings rates at the time, there was no incentive to save, but the biggest incentive to save was there, we don't know what the future holds, we're gonna hoard money. And the money that we did spend socialising or whatever, or going on holidays abroad, we couldn't spend, we held it all behind. So, then as prices started to go up quite aggressively, people could dis-save, they could spend their savings that they'd built up over the pandemic.

And they, well, we haven't been on holiday for a few years, can't really afford it, because what about the electric bill? Well, we've got the savings. So, it cushions things as people try to consume.

And then as that starts to run out, we're now in a period where wage rises are above inflation, which normally historically would be a big concern, because this is what happened in the 70s, right? There was a wage price spiral, wages go up, wage demands go up, prices go up because businesses have to put prices up. So, wages go up, and where does it stop?

You know, it stops after it gets to a near cyclone of activity, really. They managed to kind of stifle that off pretty well, although the government won't be thanked for it, they haven't done the worst job in the world, to be honest. But yields would decay slowly because we need time to get over this.

Look at all that time on the chart before it took for GDP per head to come back, seven years. You know, it's a lot of time. And then the debt war, and this is the concept that especially bigger companies, whose CFOs get paid lots of money to get smarter people than me in to advise them on what to do.

Beginning of 2022, they took out a record amount of debt, and they fixed it for an average duration of 17 years, because they saw, why did they do that? Well, December 21 was the first rate rise, and they thought, do you know what? We've had a good run.

Let's just make sure we restructure as much of this as we can for as long as we can. Now, we didn't have that luxury necessarily, but I know lots of people, I know Dan and Adam were talking about it as I was in late 21, early 22, saying fix now, fix now, and that bought you five years. And I know from what Dan told me the other day, Adam and I both spent an inordinate amount of money on early repayment charges, and probably now would agree it's probably the best money we ever spent.

And that's a great result. But of course, not everyone did that. And people who were cultured into 15 years of very low rates, what's the problem?

You know, rates aren't gonna go up to five. I would have been one of the people saying, well, it probably won't go to five and a quarter, because the economy would be on its knees. But it looks like we've all probably been wrong on that front at the moment.

Although hiking cycles normally end in absolute bloodbath, so I should manage your expectations on that. So the debt wall is important because more and more people are dropping off fixed rate loans every day. All right, if you bought in, imagine, so where are we, November 23.

So you bought in November 21, the market was already really hot, you were chasing it. You had a bounce back loan, you overpaid for a property because you were dead keen, and you had a two year mortgage on it. Great, where are you today?

Market may be around about where it was then, maybe a little bit higher, but much more difficult to sell stuff. Market's not really hot anywhere. And suddenly, instead of the 2.85% you paid at the time, you're looking at your refinancing options and they're 5.5% with a 5% fee. Very, very different proposition for a basic vital debt. So you do have to put this into context though, of course, surprises everybody, but 56% of investment property is unencumbered. And it surprises us when we move in circles where we're here, we're trying to grow portfolios, property businesses, things like that.

We kind of have to use that as a general rule, but 56% is unencumbered. 33% of all households in the country are debt free owner occupier. 28% have got a mortgage.

That's an average 42% loan to value. So they're not crippling the over leverage. The average, does anybody know what the average loan to value is when you take all the housing stock across the country?

Probably have a little guess based on all of that really. 20%. That's how much equity there is, trillions and trillions of equity sitting there.

It's one of the reasons why I think equity release is a massive product for the future, but that's another conversation. And I've shouted at the bottom there, I do apologise. The stress test has been at 5.5% for 11 years. Everybody seems to forget that. People were underwritten for residential mortgages at a 5.5% pay rate. So when they were underwritten, they could afford 5.5. They might have paid two. In fact, they might have paid one if they did it in 2021, but they didn't get the loan unless they could afford 5.5. Now, what happens to that extra money? What do you reckon happens to that extra money? Because I don't know the answer to this, but I can have a guess.

There'll be a small percentage of people who saved it and diligently overpaid their mortgage, probably 5, 10, 15%. Rest of them will have consumed it or most of it. Absolutely.

So what does that do? Well, it lowers consumption, which is the biggest part of GDP, which actually isn't a bad thing at the moment because it's disinflationary and that's not against what we need. So what do I expect to happen?

Prices hold up in the housing market in nominal terms. So as in that's not adjusted for inflation, but continue downwards in real terms after inflation has been taken into account for the next nine to 12 months. You know, 2% down nominally or 2% up.

It doesn't really matter. I think that's where we'll be. I think they're roughly equally likely at the moment.

Economies are stubborn. So despite how stupid the government can be sometimes, it doesn't necessarily wreck everything. They limber on like wounded wildebeest, but they manage to get on with it because people do get on with it.

People forget. You go through life, you get more skills, you get promoted, you get paid more, you want to consume it. It's all part of the cycle.

And then the soft landing conundrum, as I said, that'll be luck, not judgment. If it happens, taxes to go up after the election giveaway and that's all pretty much guaranteed really. And this is one of the big ones, social LHA policy to change if the election goes the way everybody thinks it will.

And that's where I think a significant amount of the opportunity will be. So I think we're looking at a much slower decline in base rates than people would like. But like I said, let's not get obsessed with base rate because what we care about is the bond yields.

So that continued decline back into under 4%, which makes things inherently more affordable. I like to talk about the debt in terms of putting the arrangement fees in with the cost of the debt because otherwise I think you're kind of kidding yourself to an extent. Yield based valuations, I think they'll probably hold firm or so, or a little bit of a decline.

So they're going against us a little bit, but nowhere near as much as they would have declined if someone turned around and said, well, the interest rate was 0.1 and now it's 5.25. So everything needs to make 5% more money. I mean, can you imagine the damage that would do to the commercial property market? Luckily the market doesn't do what's called mark to market.

So it doesn't happen like that. And yeah, transaction volume to stay low. Everybody forgets, everybody cries crash in the media sometimes just to get you to click the headlines.

Of course they do, but they forget the real impact is actually transaction volume stay low. So transaction volumes this year will be 300,000 lower than they were the year before. And we did nearly 1.5 million transactions in 2021. We'll do about 800, I think we did about 950 this year, something like that, maybe a million. So there's a massive difference. And so people sit, they don't crystallise losses.

They just sit on property, right? And yeah, deals to keep popping up as long as you're consistent. So these are the bits of what to do.

Fill your pipeline, follow up and follow up. I know that Dan talks about that. Creative deal structures I think are good.

What about sharing equity and joint venturing rather than taking debt on? The more expensive debt is, the riskier it is. What's the point of sharing equity because you have to work harder for the same money.

I've done loads of that over the years. First of all, probably stupidly, and then more intelligently as I've figured out my strategies as things have evolved. This is about fragility I've put on there.

Anyone who knows, well, Black Swan, famous book by Nassim Nicholas Taleb, he's written another book called Anti-Fragility. And the point here is, where do we start from at the moment today? So a small problem when we're already on a knife edge is a much bigger thing than a surprise referendum result in 2016 when the economy was actually chugging along okay.

And it didn't really throw us off our course too badly. Cashflow is king, so active asset management strategies. I'm talking SA, HMO, things like that.

Cashflow is more king than it's ever been and it's harder to come by because of the debt rates. So solve problems, that's what you do. That's what everybody in this room does.

If they don't realise it, what do you do for a living? You solve problems because you get paid well for solving these problems. And then absolutely do not, and I don't think you'd be in this room if it's applied to you, but don't use the current state of the market as a reason for inaction.

So remember strategic pillars of a business. Where should your strategic positioning be? Remember it's get rich, I'm shouting again now, I do apologise.

This is get rich slow. Hold on to what you've got first. One of the key things I read, if we go into a recession and the credit starts to tighten a bit more, right?

Your first job is to hold on to your existing assets. Don't get distracted from that job. If you do that, you've probably done well.

Don't over leverage at this time, but there will be a massive opportunity potentially with some creative deal structures as we've gone on to down here. You've got to remain financially attractive to lenders because lenders are looking for reasons not to lend to people at the moment. And don't be scared to move deals on.

You know, don't try and overtrade. If you can sell it to someone, potentially someone in the network, brilliant. Well worth it.

Take the money up front now, bank it. Biggest sourcing fee I've ever paid, I think is 50 grand. And I've paid it with a smile on my face because I made plenty of money on the deal.

And that person understood that. Keep the right people around you. Remember, deals find money and delivery beats perfection.

And then my four strategic pillars that have always been running through my property business, acquisition, finance, delivery, and asset management. And I've gone a little bit longer than I wanted to. We've probably got time for one question.

So hopefully it'll be good.

[Adam Goff] (1:06:57 - 1:07:12)

We've got some time for some questions actually. So why don't, thank you. Can we give Adam a big hand for that?

That was wicked, wasn't it? So who's got a question for Adam? Yeah, that's just the mic.

[Speaker 8] (1:07:16 - 1:07:26)

Hi Adam. The deficit dropped back down, I think it was on the first slide. What was the main reason the deficit came back down instead of increasing?

[Adam Lawrence] (1:07:26 - 1:07:52)

Because GDP was coming back up through that U-shaped period, really. So obviously that's one of the flaws of the percentage measure, but it didn't immediately bounce all the way back up. It went up, if you go, if you have a look at it, you can see the, It wasn't paid off, is the main reason.

That's the per cap, isn't it? But you still see the, yeah, it wasn't paid off. No, it wasn't paid off.

We're still in deficit, generally speaking at the moment.

[Speaker 6] (1:07:55 - 1:08:04)

Hi Adam. Hi. First of all, great presentation.

Thank you. I actually do read your Sunday supplement, but I can't say I always read every single line of it, being a supporter.

[Adam Lawrence] (1:08:04 - 1:08:05)

I don't blame you.

[Speaker 6] (1:08:05 - 1:08:22)

I always look for the pictures. You mentioned earlier, obviously, if there's a, you know, after the election, depending on what we all think might happen, there's going to be some changes in your mind to LHA social. Just sort of broadly, what sort of things are you thinking we'll see?

[Adam Lawrence] (1:08:23 - 1:10:26)

So I think if you look at most of the business models that focus in that area, they all further than that, those supported living, or all the way through to, you know, extra care and things like that. Generally speaking, the proposition is, we can save the government or the local authorities money that they're already spending if those people are in hospital, sleeping on the streets, in prison, in a secure unit, in all of those things. So there is a really strong economic case for doing that.

And there are still good margins in some of those at the moment. And my thoughts are pretty simply, if you've already gone through a significant period of austerity and everything's been cut back to the bone as much as it can, you know, LHA rates now, you're in some parts of the country, they're supposed to represent the 30th percentile. So you stick up all the stock and the bottom 30%, in terms of price, not necessarily in terms of quality, but of course it is probably reflected that way.

The bottom 30% should be affordable on the LHA rate. There's parts of the country where it's 3% at the moment, and those numbers are six months out of date. So I dread to think it'll be at 2%.

And so it's completely and utterly broken. The supply and demand side is completely broken. And what that actually ends up doing is from an economic perspective, it kicks people out into the more expensive categories of housing because they become homeless.

So they need to go into temporary or whatever. The Labour Party, the Conservative Party ideologically cannot solve that problem unless they've got a very centrist prime minister. The Labour Party can, although they might do it by luck rather than judgment, because again, it'll be ideologically driven because housing always is, unfortunately.

But I do think they'll know they need to invest in there in order to stop, temporary has gone from 115 to 130,000 households in temporary in under the last 12 months. So that's what's that 14% growth, something like that. And they need to snap it off somehow.

[Adam Goff] (1:10:27 - 1:10:32)

Thank you. Any questions? Yeah.

Just quickly, what did you mean by share equity?

[Adam Lawrence] (1:10:33 - 1:11:17)

So JV, potentially, or we've done some deals where we've done hybrid setups with people. So the investor, instead of them getting a higher interest rate so that we don't put pressure on the cashflow, we will give them a minority shareholding that will agree to pay them out in dividends in the future. So the model that's very widely used in the US that I like quite a lot, and I don't know why isn't used so much over here, but it can help you.

If you've got something that yields 10%, but in the way you stack the deal, there's no margin there for you because the private investor needs 12% or whatever it is, then can they come down to eight and take your shareholding and there's cashflow for everyone? Great question, thanks.

[Speaker 8] (1:11:17 - 1:11:20)

That was brilliant, Adam. Really appreciate it.

[Adam Lawrence] (1:11:20 - 1:11:57)

I feel I should know, but I don't. The 18 year cycle, what was that referring to? So there's an economist called Fred Harrison.

He's written a number of books. He's an intelligent guy by no, but that's his selling point. So every 18 years, the market corrects significantly to the downside.

And it really only, the housing market, that's right, yeah, the housing market. So there's a crash. So we're due for one in 2026, apparently.

But as I said, at the moment, I don't see how it would play out for that to come about that way because we're having credit contraction and... One more question.

[Adam Goff] (1:11:57 - 1:12:07)

John. Adam is hanging around for lunch. He's gonna do a private dining.

I'm not sure if he's here much longer than that, but yeah. John.

[Speaker 7] (1:12:08 - 1:12:31)

Adam, when we, obviously through COVID, people weren't buying houses and all of a sudden every man and his dog was trying to buy a house and prices went nuts. Do you think we might see the same thing in a couple of years time when rates have dropped and transaction volumes are low this year, next year? Are we gonna see another spike in 25, 26, 27?

As every man and his dog goes, right, I can afford to move again now.

[Adam Lawrence] (1:12:31 - 1:15:17)

So it's a fabulous question. And I think this is why this is quite, forecasting is quite hard because you have to think about, there's multiple different things going on at the same time that are sometimes pushing in different directions. So to give you an example, the other thing in 21, of course, there was the stamp duty holiday, which meant people, what happens in those situations?

People bring forward transactions. They might've been thinking, we'll move in a couple of years and then thought, oh, stamp duty holiday, go. Hence why we had so many transactions.

That affects the market in a tapering down fashion for a few years. That gives you a reason for a bit of a lower transaction volume. In order to achieve what you're saying, I think you would need a relatively dramatic drop in rates.

And if that did happen, if it was a really dramatic drop, that only happens when we've got a big problem or a black swan situation. So we might have other considerations to think about if that was the case. But of course, you've got the reverse at the moment.

People are holding off on transactions as well because the average person on the street is going, well, right, it's gonna come down in a bit. And then they'll turn around in two years time and realise they haven't done anything because the rates haven't come down that much if that's how it plays out. So obviously that is creating a bit of a concertina at the other end that's in the pipe, but will it happen all of a sudden like a sluice gate?

I mean, what would you also need? You know, this is a bit like saying, will planning policy suddenly be overhauled and it'll be magically easy to build houses. I just don't see a route to how that ever happens.

It only seems to get harder year on year. So possibility, but I think you're probably more likely to see an edge down. And is there a magic number in there when suddenly people are paying?

Where have I, put it this way, I built a model or I got my analyst to build a model over the last week or so for a joint venture that we're in. And we put in 4.25% pay rate for five years time. That's my best guess as to where we're gonna be.

That would be on a buy to let five year, 4.25. That tells you where I think it's gonna go. And what people don't realise when they look at the futures curves, the forward curves for the interest rates that the market is predicting is the market at the moment is not saying rates will be 4% by the end of next year. The market is saying rates would probably be about four and a half base rate, maybe 4.75. But there's a 5% chance rates will be zero because of those black swans that can occur in the interim. So I think it's more likely to be a longer drawn out thing but anything's possible. And if rates do go back down to zero and you fixed a lot of debt on long, you're gonna pay the early repayment charges again with a smile on your face and then try and fix for 10 years this time when you're down at 0%, aren't you? Some of mine were 10.

Brilliant. Well done.

[Adam Goff] (1:15:18 - 1:15:23)

Ladies and gents, wasn't that amazing? Let's give him a massive round of applause. Thank you so much, Adam.

Thank you. Very welcome.

[Speaker 10] (1:15:28 - 1:15:29)

My pleasure.

[Daniel Hill] (1:15:32 - 1:15:35)

Adam is one of about, well done. Thanks Dan.

[Adam Lawrence] (1:15:35 - 1:15:35)

Thank you.

[Daniel Hill] (1:15:35 - 1:15:47)

Adam's one of three people that I genuinely enjoy listening to his content. If you wanna take his details here, you'd be able to follow his Sunday supplement. Follow YouTube, subscribe.

[Adam Lawrence] (1:15:47 - 1:15:51)

Please, yeah, please, please, please subscribe. Forgot to say that. Well done, Dan.

[Daniel Hill] (1:15:51 - 1:16:00)

Yeah, you're very welcome. If you can like, subscribe and follow Adam. I would recommend tuning into the stuff that he says.

Is that Adam G? Sorry, what's that?

[Adam Lawrence] (1:16:00 - 1:16:01)

Yeah, that's my middle name.

[Daniel Hill] (1:16:01 - 1:16:02)

Nice.

[Adam Lawrence] (1:16:02 - 1:16:03)

Not that I'm a gangster.

[Adam Goff] (1:16:03 - 1:16:05)

That's my surname, Gough. I think we're like blood brothers here.

[Daniel Hill] (1:16:06 - 1:32:52)

That's Adam's middle name, Gough. Adam Gough Lawrence. So I was just about to say that actually.

So Adam Lawrence, Billy Turriff and Mark Homer, they're like the three people that I listen to, speak to, talk about this stuff. I'll just give you a heads up. I gave Adam absolutely no brief on the projections, the forecasts, what I've given you previously and reassuring for all of us, myself specifically, we're both talking a very similar game, which gives you confidence that this stuff, this is the way it's gonna play out and this stuff works.

So we're gonna go into another workshop now. Obviously, knowing this stuff is one thing, but actually putting it to good use is something completely different. Next month, we'll be doing your business models.

So in your workshop, in the actual workshop next month, make sure you bring your laptops to every workshop now. Next month, we'll be doing your business model for next year. So revenue, sales, overheads, gross margin, net margin, commercial balance, sweet spots, all of that, we're gonna do in the workshop next month.

But in order to do that, we need to know what you're gonna sell next year. And if we know now what the economy's gonna do, we can decide where we're gonna position ourselves strategically in the market and also products and price points where we're gonna position what we do. So in order to do the business models next month, what you need to decide this month is what are the products you're gonna sell next year.

So if you're deal packaging, what deals do you get? I've already spoken to a few of you today who are deal packaging. Again, Adam said today, sit in the middle, charge big fees, broker deals, sell it to other people.

Last month, I said to you, sit in the middle, don't take on the risk, don't take the money, just make good fees. Someone in the room said earlier about making a 15K fee for packaging a deal. I was like, you're absolutely bang on the money, but you wanna be doing 50K fees, not 15.

So you guys are advanced entrepreneurs. The market's where it is. Adam, again, Lawrence said he would pay 50 grand for a deal if it makes you X, Y, Z.

We've talked about this previously. So what we need to figure out today, you're gonna do this exercise today, you got the month to decide is two things. One is the products and the second is the price point.

So what are you actually gonna sell next year? So we're gonna look at the products to kick things off and we're gonna do this in the room. And the first thing is basically less is more.

You're entrepreneurs, you love the new shiny stuff, the fun stuff, creating the new stuff, and you wanna have 50 different types of products. The reality is we probably actually want less than a handful. Once we know what we wanna sell, we need to figure out how we're gonna sell it.

So we wanna package it up. Somebody looks at it and they say, this is an absolute no-brainer. It looks ridiculously good value for money.

I've got a zero risk downside. I'm gonna buy now, I'm gonna put money in your pocket and you're gonna deliver. How do we do that?

And then third is the price point. When you're thinking about the market, there's three positions in the market you can play strategically. Which one of those three are you gonna be?

Which seat are you gonna take in the market for the year ahead? So I'm gonna take you through these. So the first exercise, I'm gonna stick some music on in a minute, is entrepreneurs tend to spread their self a mile wide and an inch deep.

We wanna flip it completely on its head. Inch wide, mile deep, and the way to do that is less is more. How many of you have been to a restaurant which is leather bound, 25 pages, 100 items on each page, and you've got so much to choose from, you've got no idea where to start.

You've been to a restaurant like that? Absolutely, we all have. It's not the best business choice.

It doesn't make a lot of sense. Imagine the chefs pulling their hair out trying to cook all these different menus. The clients can't decide what they have.

The control over wastage, sweet spots, commercial balance can be very difficult. But as you go somewhere that's clearly making a lot of money and very successful, they're focusing on value rather than volume. And a couple of weeks ago, I was fortunate enough to go to Claridge's.

We went there to celebrate hitting half a million pound that we've now donated to charity. Congratulations to you guys. You did the heavy lifting.

And we went to Claridge's, and the menu was literally, you've got two choices. Do you want it with alcohol or without alcohol? And it's like, it was just very clear, very straightforward.

You knew what you were having, and it was about 250 quid a head. So it was like, they're booked up months in advance. It clearly works.

Maybe that's 500,020 pounds, is it? Okay, Bianca, yeah. Still out of stock, yeah, yeah, it's still out of stock.

So what we're gonna do is think about all the stuff that you're thinking about doing next year. You know, all those great, you're gonna do a mentoring product, and you're gonna do some consultancy, you're gonna do an online speaking event, you're gonna do deal packaging, you're gonna do some flips, you're gonna do some social housing. What, we don't wanna do all of that stuff, but let's get it down to a maximum of a handful.

Ideally, probably one to three products you're gonna focus on. So products is less is more. Gonna stick some music on.

And just think, until a product is world-class, like Property Entrepreneur, this is our 11th year. And for the first six years, it was only one product, it was the program, that was it. For six years, round and round the track, refining it, making it better, making it world-class, and then we added, then we scaled it.

Then we added advanced. Then we added the incubator. Then we added the mastermind.

Now that's taken 11 years, but the only reason that it works is because we did it slow and steady wins the race. So have a think about the next 12 months. Remember the 80-20 rule that 80% of your profit comes from 20% of your products.

And try and think about how to get rid of all the stuff that's just a distraction, it's noisy, it's not gonna work. And pick out those three to five products or services you're gonna do this year that are gonna give you the best results. So put some music on.

So a few good questions in there. People saying, is a strategy a product? And is like an event that you wanna put on a product?

If you think about products, but also maybe projects, and just think again about the academics and sort of like the objective. The objective is to talk you out of shiny pennies. And if you had 10 things you wanted to do next year, the reality is all of them are gonna be less than average.

If you chose just three, two of them you've probably already done. One of them is gonna be completely brand new. It's gonna be at a world-class level.

It's like less is more. It's much better to do things at a world-class level. Time is your only scarcity.

It's like just really doubling down on that and making it absolutely perfect and then move on. Will Smith talks about, for his faults, talks about building a wall. And he says, all you wanna focus on is laying a brick perfectly.

And if you consistently lay one brick the best you can lay it, then move on to the next one. At the end, you end up with a big solid wall, which proper entrepreneur as an example, I would say is a good example of that. But we never rushed it.

We never did it too soon. You wanna do it bit by bit. So whether it's a strategy or it's a project or it's a product, it's less is more.

So just focusing on those things. Any questions on products? All good.

So when you've got the products, you then gotta think about your packages. So this is where the real strategic bit comes in. It's like some things are really easy to sell.

So if I say to you, I'll sell your company for you. I'll charge you 12 and a half percent. I'll charge you zero to list it.

I won't charge you a penny until the deal's done and the money's in your account. If it takes me six weeks or it takes me six months, I'll charge you exactly the same fee and you won't pay me until you've been paid from the seller. And if we don't get it sold, you don't pay me a penny.

It's quite a no brainer, no risk, no downside opportunity. Whereas if I say, I'll sell your company for you for two million quid and I say my fee is a listing price of 25 grand, then it's a 10,000 pound retainer through the marketing phase and it'd be about 150 grand before we get the offer accepted and there's all this cost and this risk. It's gonna be a very hard thing to sell.

It's not impossible, but it's gonna be a lot harder. The way we package it up is twofold. The first is making it a no brainer.

So the no brainer is things like 100% money back guarantee. It's things like I won't pay you until you get paid. So I'm assuming Adam Lawrence, when he paid his 50 grand sourcing fee, he probably already owned the property and knew he was gonna get that profit before he parted with his hard earned 50 grand.

So you want it to be a no brainer. How do you make it an absolute no brainer? When we talked last month about the three levels of charging, you've got the market rate, which is what, 95% of the market charge.

You've got the expertise rate, where because of your experience and your expertise, you can charge more. That's that 5% rate. Or the top 1% who are doing the value slab.

And it's like, again, like the deal source I was chatting to earlier. Rather than saying my fee is 15 grand, you say, right, I can, and actually one of the delegates that I know who I've done some business with on the program messaged me in the week and said, I've got three properties I'm selling. I haven't got the cash to buy myself.

Motivated sellers. Three HMOs, or five HMOs, sorry. Five HMOs, he's got two investors going to buy them.

He hasn't got the cash to do it himself. There's about 200 grand in the deal. And he said, how much should I charge?

I normally charge like between 10 and 15 grand. I said, that's sound, but how about, rather than say 10 and 15 grand, introduce it and hope for the best, charge up to 33% of what they're going to make. But don't charge them until the deal's done.

So now he's gone from making, say, 30 to 50 grand on fixed fees. So he's actually going to make 33%. And if he gets the 200 grand, now that's 60, 70 grand in fees.

All he's done is repackaged it and said, I won't get paid till you get paid. Here's the deals, you're the buyers. He's going to flip them on and he'll make a percentage of it.

So I'm going to make it a no-brainer. And then we want to make it a value stack. So the value stack right there is, if I can make you a million pounds, will you pay me 100 grand?

Most people would say absolutely yes. If you've got a product to sell on face value, so anything, literally anything. So Simon does his drones of everything, buildings, houses, wind turbines.

So right, well, that is a 2,500 pound a day, maybe, or a day product. And people know it's 2,500 pound a day and that's the product. How do we create a value stack where they think they're getting, they're paying 2,500, but they think they're actually getting 5,000.

Well, we put the product in there, but then we stack it up with loads of additional value that they haven't considered. And also value that they think they're getting a high perceived value for, but it costs you zero. It looks to them like they're getting loads of extra value for free, but it has no frictional cost.

So for example, if you're given, if we use drones as an example, if there was additional, yeah, just anything like, so yeah, how to review it. I will give you an advanced, it's not that I've not chose the easy example. Josh, go for it.

So Guillaume's was additional reports to go with it. Absolutely. Or free store, we normally charge 500 pounds for a year's storage.

We'll give you it for free. But the reality is it's on their cloud anyway. It's like, you know, it's all this.

Josh.

[Speaker 5] (1:32:52 - 1:33:22)

One of the ways we do our campaigns is we do the free UFD reviews, as most of you have seen. And that's like the kind of the first part of the kind of journey we go on with people. One of the things I did this year to kind of increase the stack of that value is it was an NDA signed in advance.

So you got an NDA template. It costs us nothing to like send that out. It's like 30 seconds or whatever.

But the perceived value of now somebody signed NDA and that was a totally confidential conversation. It just like, it just, it meant they just rocked it. And it's just one of those small things that like took it to the next level.

[Daniel Hill] (1:33:23 - 1:33:45)

Fantastic. Perfect example. Productization is another one, which is actually creating money for nothing.

It's like, rather than call it, I'll have a look through your books for you, mate. It's like the UFD platinum package, NDA sign in only. That's how Josh used to sell it.

Exclusive private and confidential conversation with our senior portfolio manager.

[Adam Goff] (1:33:46 - 1:33:55)

Another good one would be like, if you come on the blueprint and then we'll give you the recording for free, which we normally charge export. So there's absolutely no real cost to doing it. But then they can get that value over and over again.

[Daniel Hill] (1:33:55 - 1:46:10)

Exactly. No frictional costs like spreadsheets, you know, templates that you've got. When we did the deals, deals, deals online training, you got the exact appraisal blueprint that I use to build over 10 million pounds worth, to make over 10 million pounds and build to rent development.

It's just an absolute no brainer. But to me, it's just a document. It's a spreadsheet, but it's, you give it a name, you brand it up, you package it up.

So you want to make it a no brainer by removing the risk, removing the upfront money and then a value stack. How do you create the perceived value to be very different to the cost? And this is the perfect package.

And we talked about this on advance last year. For those of you that are new, one of the things that we added last year was Alex Hormozy's $100 million offers. If you haven't read that, there's an equation in there, the value equation, which talks about the way to make it an absolute no brainer is the dream outcome that somebody wants, how to make half a million pounds.

Like the tagline for deals, deals, deals was it costs 50, 500 pounds and it will make you 500,000 times the perceived likelihood of achievement. How do you give somebody the confidence they're actually going to get the result? If I'm selling your company for you and you're not going to charge, I'm not going to charge you a penny until it's sold.

It increases their confidence that it's got high perceived likelihood of outcome. That's the value. And then you divide it by, so the two things that are going to make people think it's worth less is how long does it take?

I can make you a millionaire, it's going to take you 25 years, not very attractive, times how much effort and sacrifice. The example he gives in the book is, if you can say to somebody, turn up at my operating theatre, I'll give you liposuction and you'll lose five kilos in 45 minutes, it's significantly quicker than, and it's significantly easier than going and doing 20,000 steps with 1,000 calorie deficit for 25 weeks. It's like reducing that effort they've got to put in the sacrifice.

How can you do it? So I'm going to stick some music on for a couple of minutes and think about this package. What we're looking for is this perfect package of what is it you're actually selling?

Is it deal sourcing? Is it value slab? What's the value you're actually creating?

How are you going to package it up? How are you going to put a bow on it? What are you going to call it?

And how are you going to increase the perceived value and reduce the barrier to entry by making it an absolute no-brainer? So so so Okay, so hopefully that's giving you an idea of the perfect package and it is this concept of ramping up the value, doing the value stack, making it a no-brainer, putting in a box, putting a bow on it, and giving it a name, productizing it, etc. I just had a fantastic question which takes us on to the final point which is about pricing.

Is when you're doing this packaging, so the question was we have a specific product for high earners but we really struggle to position it. The easiest way to sell to a niche is to basically get rid of everybody else, especially when it's a high ticket price point. So I had a conversation with MD or CEO that I sit on the board for and we're talking about marketing and they had three proposals for marketing companies.

One was two grand a month, the other one was five grand a month and the third one said that we only take on clients with our minimum spend basically is you've got to spend £10,000 a month with us to come on as a client. Which one of the three do you think you wanted to go with? You wanted to go with the third because it's like that perceived value of this is only if you can afford £10,000 a month.

When we do our Financial Fortress training which we did last year online, a few of you in the room did it with me, it was capped at 10 people. We said this is only a value to you if you're earning over £100,000 a year already because you give it that position, that strategic position, immediately the people who are already earning over £100,000, their ears are pricked up and they're like wow, this is for me. I want to get involved in this but the other 70, 80, 90% obviously fall away.

So you want to think about that, the positioning and the final part of that is your price point. And there's three price points. If you're doing something for high earners, your price point wants to be high and you can take exactly the same product but charge five times as much for it by strategic positioning.

So Coke, Coke Zero. If you go to a supermarket and the actual price from Tesco, if you buy a multi-pack from Tesco for a can of Coke Zero is 50p. So if you want to buy it lukewarm, covered in dust, probably rat's piss, in Tesco, it's going to cost you 50p.

You have to turn up yourself, carry it home, put it in the fridge, you know, that is what it is. If you want to go to Claridge's, where we went, and have exactly the same drink, hopefully minus the rat stuff, exactly the same drink but it's poured in a crystal glass. It comes on a tray.

The glass is ice cool. The ice is ice cool. It's £7.50. It's £7.50. So it's like it's exactly the same product but it's a different package. It's a different experience and specifically it's a different price point. Ahead of next month, think about which price point you want to be operating. There's only three categories in any market.

You've got cheap, which doesn't work. Washing up liquid from B&M, complete false economy, doesn't work. Adam's hair gel, complete false economy, doesn't work.

Cheap, cheap is just cheap. It's a race to the bottom. The second is value for money, which is that sweet spot.

You want to have your trades and your contractors and your principal contractors. Great value for money. Do a really good job, charge you a fair price, happy days.

And then the top one is either premium, which is positioned for your high earners, premium, niche or it's expensive. You are paying £10,500 for a Louis Vuitton handbag. Yes, it's great quality but you're really paying for that luxury element.

You're paying for the logo, you're paying for the brand, the intangibles. They're the three levels of it really. For your homework, it's already on your homework list.

Between now and next month, have a think about your strategic position for next year. And in order to do the business model next month, you're going to need to know what products you're going to sell. Ideally, less than three, maximum five.

How are you going to package them up? So what's it going to include? What do they get?

Is it a monthly service? Is it a one-off? Does it come with customer service support?

Is it a minimum of five deals they have to buy? What is the package? Is it no money down?

Is it deposit up front? How do you value stack it? And then price point.

Are you going to be another £15,000 HMO deal sourcer and there's no shortage of those? I used to sell HMOs for £15,000 in 2011. And that was when I was just like starting.

Nowadays, you can genuinely get away for HMOs selling them for £30,000, £40,000, £50,000 developments. Take a slab of the equity, get yourself into the six figures. There really is great deals to do.

And price points. Now, are you going to go cheap? In which case it's a race to the bottom.

Stack them high, sell them cheap. Is it value for money? It's probably the mass market.

Or is it that top 5%, the top 1% value slab, premium, executive, luxury, right up that top end of the spectrum. And then finally, up the top, is how many of each are you going to sell? So in your business model next month, when we do it in the room, it'll be for the 12 months ahead, for 2024, I'm going to do, I'm going to sell 10 HMOs, one development, three single lets.

These are the price I'm going to charge. And that will obviously give us our top line. And then next month, we'll work back from that and do your budget and your business model from there.

Cool? Excellent. So best of luck.

That's your homework for the month ahead. Adam's going to come up now and close us off for lunch. Thank you.

[Adam Goff] (1:46:10 - 1:51:43)

Nice. Thank you. Okay, we are going to go to lunch in just a second.

But can we do that session? Really good, right? We've got to be thinking super strategic.

I think one of the things when I think of, when I think of strategic positioning, is appealing to being everything to someone. Sorry, being everything to someone, not something to everyone. Being everything to someone, not something to everyone.

And kind of overarching this, we've got to keep ourselves in check when we don't try and offer everything to the world. The more niche we are, and the more we are a big fish in a small pond, the more successful we will be. And it's really hard to do, but it absolutely makes the difference.

So that's kind of my closing sentiment about this. You know, do you want to be the little fish in the big pond and you're getting hunted by the big fishes? Or do you want to be the big fish that's doing the hunting?

That's how I really look at this stuff. So I think I just wanted to close the sentiment in this really brilliant session. We've had insight from Adam and Dan with that final thought.

Okay, so before we go to lunch, we're moving on to our second new KPI, which is our health KPI. So, health. Why is health important?

Because we want to perform at our best. We want to look our best. We want to feel our best.

And we want to have the years left to enjoy the wealth that we're going to create. No point being the richest person in the graveyard. We want to have the quality of life to actually make the most of it and enjoy it.

That's why it's so important to us. So, as Dan said at the start, this is going to be all about your metabolic age. Just out of interest, who here has ever tested their metabolic age?

Just so I can get a show of hands. Okay, cool. Yeah, so maybe 20, 30% of the room.

That's quite good. I know you have, Dan. All right, yeah.

Interesting. So, yeah, so there are obviously a number of ways to increase, decrease your metabolic age. Actually, when I did a bit of Google research, I was like, wow, this is going to be our new KPI.

I really understand actually what this is. Turns out that actually doing a lot of resistance training and building lean muscle tissue is a really good way to reduce your metabolic age. So, that was an interesting little fact for those people that didn't know necessarily what it was or how to improve it.

But don't worry about that because we're going to invite you now to do a health KPI test. And this is a test that Dan's been doing for a couple of years and it's called the Blue Crest Health Screening Report. And this is a detailed test.

Who's ever done a blood test or a health test like this before, like a vitality check? Lots of people, fantastic. Okay, so this year we paid for the board to do it.

This is 100% tax deductible and we've got you corporate rates with Blue Crest specifically. So, you will benefit from a corporate rate. So, fair play to Bianca.

She's done loads of work on this and she's done it. And we're going to get you to book it now in the room. All right, so the QR code in your workbook.

So, start the year off understanding where you are metabolically so that you can spend the whole year trying to improve it and next year around the track, we'll do the exact same thing again. We need to know where we are now because you can't manage what you don't measure. So, we've got to measure it as a starting point and then we can look to improve on that.

So, it's in the workbooks. If you scan the QR code, I'm going to get Dex to put some music on. There are a number of options which you can choose from and the option that we're suggesting you go with is the business exec option, all right?

So, people that are interested in knowing what they're going to get for their money. You're not going to pay now, by the way. You're going to register for it.

So, those people that are already doing it, fantastic. Well done. And then you'll be sent an invoice to pay it.

So, we're going to basically give you the link to our corporate deal. It means you get a significant discount and then you can pick the package which we recommend. We recommend the exec package and this is an example of, for example, what you get.

It's basically going to be a full health report. It's a blood test. It's everything you need.

And every time I've done this, by the way... Oh, there's one here. Fantastic.

Oh, your own one. The health executive. That's the one, isn't it, Bianca?

That we are recommending. Yes. The one in strong blue.

Exactly, yeah. That's the one we recommend. Now, I've done this for a number of years.

Actually, not this specific report, but something similar. And it's always flagged something up. Whether it was low testosterone or whether it was some problem with my fat processing or I've had a number of different things.

So, it's always added value for me. I'm just going to put it out there. So, I'm going to put some music on now.

You can put this in, review it, get it sorted out. So, you can get your second KPI logged for the start of the year. One more thing.

No, no, yeah. You get an invoice. Exactly.

So, what you're doing now is you're not actually paying. So, it's not like a pressure selling. And we're not getting anything out of this, by the way.

This is just you, you know, raising the stakes. Making it happen. You can tweak it later.

Question.

[Speaker 11] (1:51:47 - 1:51:48)

Good question.

[Adam Goff] (1:51:50 - 1:51:53)

I'm not sure. If you scan the QR code and see on the...

[Speaker 11] (1:51:53 - 1:51:54)

Is it in there?

[Adam Goff] (1:51:56 - 1:52:14)

Good question. I'm not sure. Yeah, I think so.

Yeah. Perfect. Probably the same thing.

The business exec.

[Speaker 10] (1:53:15 - 1:53:16)

Definitely pick one.

[Adam Goff] (1:53:17 - 1:54:46)

Like, just do it. You're not paying now. Just do it.

Just do it. Business health executive is the all singing, all dancing. I'll take that for a fiver.

Just shake my hand. Okay. It looks like everyone's done that.

Settle down. Settle down. We'll turn the music off.

Turn the music off. Thank you. Just as an FYI, Chris Moss is metabolic age is 14.

So, 16. That's amazing. I can't believe it.

Yeah. Akash, who's actually 73. What was yours?

27. 27. That's amazing.

Dan, what was yours? No, no, I'm not... No, I'm sorry.

I wasn't throwing under the bus. I'm just... Sam, what is it?

33?

[Speaker 9] (1:54:54 - 1:54:55)

It's something on lettuce and mustard.

[Adam Goff] (1:54:57 - 1:56:05)

Fantastic. This is cool. Isn't it cool?

This is so cool. And for a tax-deductible expense where you're actually going to get a full health screening and if you've got a problem... Sorry, am I interrupting you guys?

No, it's funny because you were talking earlier, but you were the last one to finish the Life by Design school card. Did you know that? Anyway.

He started talking after I thought he's finished. Then you're still doing it at the end. It's just interesting, isn't it, how it works?

Right. So... I am.

I'm going full in. This is it. This is serious.

Exactly. Welcome to advance. So honestly, every time I've done this, it has flagged something.

Seriously, it has flagged something. And it's like, oh, wow. Okay.

So I'm not going to labor that point anymore. Get it done. Okay.

We're going to go to lunch now. Just a bit of a change. So Tracy is going to be on my table.

And Simon is going to be on Dan's table. Have we had a good second session? Ready for lunch?

Round of applause for Adam and Dan. See you back here at 2.30. Thank you.

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Session 2\_Transcription

[Adam Goff] (18:59 - 26:12)

Okay, ladies and gents, that is your two and a half minute warning. Two and a half minutes till showtime. Okay, everybody.

This is your two minute warning. We've got two minutes till we're off. Two minutes.

Back in the room, please. Okay, ladies and gents, that's your one minute warning. Can you finish your conversations now, please?

Make your way back to your tables, take your seats, because we're starting in just under one minute. That's your one minute warning, ladies and gents. Back in the room, please.

Okay, ladies and gents, can I get a round of applause, please, as I make my way to the stage? Welcome back. So is, how is the weather in Burnley?

How did we find that? Did we stick to it? Okay, it's gonna take a bit of practice, but we want to, yeah, we want to change the culture.

We're a bunch of high performers here. Okay, so before we go, we've got a special guest, as I've said, for you for this next session. But before we go into that, there's a little bit of a housekeeping, and then I'm gonna just remind us of something we talked about last month.

First thing is, private dining for today, just while we're here. So my table is Adam Hassan, Claire, Feeney. Actually, Hema's not here, is she?

So you could probably change that, Bianca, if you can. Michael Taylor and Chris Moss. Dan is Abs.

Casey, Guillaume, Keelan, who I'm not sure is here either. Matthew, Brereton, Stephen Blunston, and Jackie Goodman. And then with Adam Lawrence, our special guest, it's Ashley, Rachel, Chelsea, Anthony Carter, and Will.

So well done to them for getting in there first on the app. That was seriously fast, his finger first. That was very impressive, ladies and gents.

So just a reminder about something that Dan dropped at the last workshop. So if you are, by the way, if you're looking at a laptop right now, it's probably time to close it, Brett. Okay, time to get it closed.

See how I did that without even looking at him? Isn't that amazing? Okay, this sentiment.

You are actually, like, who are you? You are actually the things that you do and the way that you do them. Basically, you are how you show up in the world, all right?

And this is all about raising our standards. Did you want to get a picture of that? Did you get a picture of it?

You got it? Yeah, go for it. Be my guest.

Absolutely. I love that one. You know, you hear quotes like, you are so welcome, Stefan.

Be the change you want to see in the world. This is really about the presence that we're bringing, the energy, the contribution we're making to human or to mankind. So we launched this at the last event, Raising Your Standards, and we want to think about where we're going to actually create new rules and therefore new habits and standards out of those rules.

So I'll share a bit of insight with you. Who's got a laptop that looks a bit like this? Just me and Bobby then, yeah?

Suzanne, there's a few other people, there's a few liars in this room, okay? All right, because this was my MacBook. All right, this is disgusting, and it wasn't just the desktop.

It was multiple tabs across multiple monitors. Dan almost threw up on the retreat when he saw my MacBook, and I couldn't believe his MacBook. He had to turn it on when we used it, and it was nothing open, and I was like, is this new?

Huh? No, he's on a Mac now. I've won that battle.

I know, I've won that battle. All right. And I was like, well, he's like, no, no, this is how I was like, what?

You actually shut it down? I was like, I haven't shut my laptop down since I bought it, like two years. I didn't even know you could.

So I tried to get my girlfriend to turn her iPhone off the other day. She's like, how'd you do that? And I was like, seriously?

So yeah, that was my, that was my, that was something that came straight to mind. You might think it's a bit of a low-hanging fruit, but actually this is about closing down the brain, isn't it? And I remember an art teacher at school once taught me that it's very important to clean up your space after you create.

It was very big on, you know, washing the paintbrushes and cleaning up the space, and there is something probably very good for our mental health in doing that. So that was my new standard. So I have, God, I've just realized that my laptop might actually be on stage after lunch, so I really hope it is clean.

But, my new standard now is, you know, close things down, shut down the laptop at the end of the day, don't have 30 tabs open across three different browsers and all the different screens on the Mac you can scroll anywhere. I won't bore you with the details, but that's my new standard. So, how have you been getting on with your new standards?

I want to share anything with that. Who's raised a standard that they'd like to share? Ashley?

Yeah. Richard? Good hands.

I've started putting the toilet seat down. Love it. Rachel, do you concur?

[Speaker 9] (26:14 - 26:18)

Yeah, but, I don't flush, but, you know.

[Adam Goff] (26:21 - 26:27)

Hang on, hang on, let's get the mic if this is gonna be good. This is gonna be good.

[Speaker 4] (26:28 - 26:51)

I was having my two-weekly moan to my therapist, and she said, it was about phone calls, about when I'm doing a viewing and Ashley calls me on the phone, and I don't want to answer it, and she said, Rachel, do you like 80% of Eschle? I said, yeah, just let it drop. So now, I embrace the 80% of Eschle that I love.

[Adam Goff] (26:54 - 27:00)

80-20 rule in relationships. Love it, that's great.

[Speaker 4] (27:00 - 27:08)

It works really well, so the toilet seat, he leaves it up often, but actually I've not mentioned it to him for quite a while because that's part of the 20% now.

[Adam Goff] (27:17 - 33:13)

That's true love, you guys are amazing. So I'm gonna ask Dex to put some music on now, and I'm gonna give you 60 seconds to reflect on the standard that you raised, or didn't raise, and potentially a standard now that you'd like to raise. So off you go.

Let's get into that now, back in our journals. Okay, I'm gonna draw it to a close there. Rachel asked me, how do I figure this out?

Some things to think about is you're more or less keep, and if you haven't had a personal SWOT analysis or feedback yet, that's a really good, someone can give you some really good feedback, like with your buddy, for example, some feedback on yourself, you know? It's like, how can you show up better in the world? Is it dressing smarter, being earlier, listening before you speak, right?

It's like, these are the kind of things like, don't be the first to the buffet, like, you know, it's like, they're just some examples that spring to my mind, but we can apply this to all parts of our life. Ultimately, how you do one thing is how you do everything. So we wanna be world-class, we wanna show up, we wanna be leaders, we wanna set the example, we wanna inspire the people in our lives, don't we?

Because the best way to get someone to improve is to inspire them to improve by you setting an example. That is definitely the way to do it. So yeah, I'm gonna set a standard for some of you in this room, which is when we do an exercise, and I ask everyone to think and I put reflective music on, is to shut up, yeah, to not speak.

So for those people that are really good at speaking while we're doing exercises, yeah? Tom, Jay, I'm looking at you, yeah? Claire, Shaini, I'm looking at you guys, yeah?

All right, for those people that always talk when we're doing exercises, and always like to sit at the back, that would be your standard, all right? I was just giving you that for free. I know, I'm really, I'm not pulling any punches today.

It's like, when you speak, you interrupt someone's thought process. So it's them, not you, right? And that's like, it's just a really cool thing, that feedback I've just given you, all right?

I'm not being mean, I'm not being a dick. I'm giving it to you because I want you to improve. So there you go, my gift to you, you're welcome.

Right, I got away with that, didn't I? So strategic positioning, maybe not. We'll see in the feedback later.

Okay, strategic positioning, yeah, exactly. People are pulling out, people don't want to know, yeah. Strategic positioning, right?

Let's go on to the main event now. All right, we've got through that. So observe the masses and do the opposite.

We want to do what everyone else isn't doing. We know that if we want to have high margins and low competitions, that we need to be highly strategic in everything we do, in business and in property. We need to study the market, we need to exploit the gaps.

That's what it's all about. So today we're bringing a guest mentor on who's done just this within the property space. Yeah, I didn't, I mean, I will be the first to admit, I wasn't aware of Adam before I got introduced to him, but his rise has been meteoric in less than, basically a decade.

He's gone from buying his first property, and he comes from, he's an Oxford graduate, graduated top of his class at the MBA, in his MBA at Warwick Business School. He's got a portfolio now with joint ventures worth over 50 million. He's been involved in over 650 property deals, and he's held on to almost 90% of his portfolio.

So this guy knows what it's all about. He knows how to scale up quickly. And in this window of opportunity, he's just the type of chap that we should be making our hero in role modeling.

So without further ado, let's give a massive property entrepreneur welcome to Mr. Adam Lawrence, ladies and gents. Adam.

[Adam Lawrence] (33:16 - 1:06:57)

No pressure, I love that. No pressure at all, brilliant. Fantastic.

I always think after an introduction like that, it's gonna be a problem when I actually stand here and present, it just doesn't sound like me, but there you go. That's probably my, the old impostor syndrome thing, which I've definitely suffered with over the years, but I'll try my best. So this presentation, I've called it Propernomics in Action because I have a fledgling YouTube channel, and I thought I'd make up a name that mashed together property and economics.

I wanted to try and mash business in there as well, but I just couldn't do it. But the cool thing was, if you Google it, it's the only iteration of the word, which I quite liked. So what am I gonna talk to you about today?

I'm a massive economics geek. Is anybody in here willing to admit they read my Sunday efforts to supplement? How are we doing?

One, two, three, four, five, six, seven, eight. No, a couple of the other guys do, so that's about 10. So that's great.

Everyone else is gonna wanna read it by the end of this, or they're never gonna read it again. So I write it once a week. I post it on my LinkedIn, also on the Partners in Property website.

And it is really my thoughts about the macroeconomy and property and what's gonna happen in the future. And I'm trying to really blow away a lot of the noise that there is in the media. And I write from a very, I have no agenda in it, apart from to try and organize my own thoughts and hopefully help out some others as well.

There is an occasional chart. There is an occasional chart, but that's why I started the audio version, Umesh. That is a fair shout.

So there have been, it has run to 8,000 words a couple of times, but I try and keep it on the level. But it's also a bit of a space, especially when I've got the time to do some original research rather than rely on whatever data is being spat out by whichever organization, sometimes which has an agenda, which I try to sort of look through, if you like. So I go to a lot of the source data.

And my undergrad degree, as Adam was saying, was in philosophy, politics and economics. And I majored in economics. And in my MBA, I also did quite a lot more economics as well.

So this is how I put it to use, I suppose, if you like. So I'm gonna talk to you about the current macro picture and a little bit of why it's relevant. Where we are in various cycles, because there's so many cycles these days, you have to watch which ones you're looking at and which ones actually mean anything to you.

What I expect to happen, because ultimately we want this to be actionable, what you should all be considering, and then ultimately what you're here for today, what should your strategic positioning be? So, right, first of all, few stats for you on there and a few numbers. Like I warned you, I am a bit of a numbers geek.

So everybody knows we had a pandemic. Don't need to spend any time talking about that. But post-pandemic, ultimately, what are we actually having to do as an economy, as a country?

We're having to deal with massive monetary stimulus. All this money pumped into the economy, most of it in quarter two of 2020, the lockdown came, nobody knew what to do. And to think that there wouldn't be longstanding consequences of that would be silly.

I think most of us knew at the time. Is it fair to say that there's no such thing as a free lunch and all the rest of it, right? So we knew we would have things to deal with.

And there are really two broad ways of looking or two schools of philosophical thought about economics. The monetarist school, which is the newer school, 1980s onwards, sort of expounded in Reaganomics in the US and what Mrs. Thatcher did in the UK. And then the old school way of thinking, which is Keynesian.

And the new school, the monetarist school would tell you, if you inject a lot of money into an economy, what is guaranteed to happen? Anyone wanna have a go at that? There you go.

And what happened, so this is why very early on I started talking about inflation. And sure enough, this was when I started talking about it in the supplement of Feb 21, when the Bank of England had just announced they were considering negative interest rates. Now, anybody who doesn't know, interest rate and inflation tend to correlate negatively with each other.

And that's why they put the rates up so much this year. And in the last nearly 24 months now, actually, because they're trying to choke off inflation by raising interest rates. Hasn't necessarily worked as well as they would have liked, but we'll talk about that a bit later on.

So what did it actually mean in numbers? Massive increase in the government debt there. Those two numbers there are percentages of GDP.

So that is how the world likes to measure debt because it's not very useful to compare our debt in numbers to the US or to Japan or to Switzerland because we're different size economies. So we look at it as a percentage. 84.6% all the way up to 107.7% of GDP. Now we've been in much worse shape. Does anybody know when we were in much, much worse shape than that as a percentage of GDP? Post-World War II, that's exactly.

Does anybody know where we went up to for a bit? Roughly? 250, about 250%.

And does anybody know how we got over that between like 47 and 70? No? Well, we did.

The Marshall Plan is a valid point, but really how we got over it as a country is we grew and we inflated it away, right? And how was that possible? Well, after a war, what's a guaranteed thing that happens to GDP after a war?

It grows massively because all it does is it measures activity. And this is one of the crazy things about GDP. It's not necessarily the best measure of what's going on at any one time, right?

It grows because there's rebuilding to be done apart from anything else. And of course, there's so many homes built and the economy was going great guns and it was able to inflate it away. But we didn't really have an awfully large concept of inflation as a general public when we went into World War II.

So this is all, you know, economics is still a relatively nascent social science. It's not that old. Things change and people get things wrong, which is why approaching 2008, we did it so very badly as a world really.

And also in the pandemic, why at least I think a lot of our economic policy was quite a bit better than some of other countries were. And we're down to 101.2% of debt, which actually as it goes today is a better percentage than the US who are about 115 at the moment. And Japan are still right up there in those sort of 250% levels.

And that's a real danger zone to be in because they've had a very, very sluggish amount of growth over about the last 30 years. And I use Japan as a bit of an example because we're not massively dissimilar in that we're long industrialized, developed societies. There are a few significant differences, but it's one of the more comparable economies to ours for a number of reasons.

So as I say there, there's only three ways out of it. One is inflation. Now the problem with inflation is it's difficult to control.

So there's the truth of what the central bank target is 2%. That's set by the government. They could change that if they wanted to.

Politically, it would be quite difficult. That target was only introduced in the early 90s by John Major at 2.5%. And it was chipped down to 2% in about 97, I think it was. And it stayed there ever since.

I don't believe for a second that's the real target for inflation at the moment because if you imagine, at a relatively simple level, and government ministers tend to be quite simple, and I'm not trying to be as rude as I sound there, it's because they have such a broad brief. So they have to have a very generalist skillset. So it's difficult to know everything in enough detail to do it.

Now don't get me wrong, when you go around doing justice to education, to housing, to everything else, you can't be an expert in all of those fields. But because they're relatively simple, they would look at a problem in the way that many business people would and say, well, at 2% inflation, it's gonna take us 30 or 40 years to get rid of all this debt. But 4% inflation, we can do it in less than half the time because of compound interest.

So actually, would three or 4% inflation be a big problem? And the answer is probably no. But the problem is, and the point of the 2% is twofold.

One, it keeps it under control because people's expectations are important when it comes to inflation. And two, deflation would be much more damaging. So it needs to be far enough above 0%, which would cause a big problem.

Again, going back to Japan, something they've battled with over the course of the last 30 years. What else can they do? They can increase tax so we can directly pay it back.

We've borrowed money, we distributed it to everybody. Hasn't necessarily stayed in everybody's pockets, but that's the way of the world and the economy. So we just increase tax to pay it back.

Why don't we do that? Well, no one wants to pay back the debt. But ultimately, at some point, if you're not paying it back, your children are or your grandchildren are or whatever, ultimately.

And then the other one, which you really don't want, which Keir mentioned just then, default, economic contraction or depression, which obviously we have seen happen in the past. And if you remember the EU in the 2010s and particularly Greece, but there was Portugal, Italy, Greece and Spain and Ireland who had significant debt positions, when they really should probably have defaulted on bonds, the EU would not let them because the idea of defaulting on a government bond creates a bigger problem. It's not that no one ever defaults, even the US has defaulted in the past because the default is just missing a payment.

That's all it means. Even the US has defaulted in the past, but it takes away all of the money is like religion. It's the ultimate religion of the world.

And if you shake the belief in religion, and that's why you heard during the pandemic, all of these, particularly the Bank of England, but the Chancellor as well saying, we will do whatever it takes. Because if you lose the belief, because we have no gold standard or anything anymore, we have a fiat system, you could have a collapse that would have repercussions, 10,000 times bigger than anything that happened during the pandemic, and it just can't be allowed to happen. So what else is going on at the moment?

Tight labour market, you might have seen that in the figures. The US were at a point where they had two job opportunities for every single person who was unemployed and declared themselves fit to work. We never quite got that bad, but we were at more job openings than we were people available to fill them.

And again, that was a twofold problem. One, companies with plenty of stimulus looking to expand. And then secondly, a lot of people coming out of the labour market, some of that because we call it the great resignation.

They had to think during COVID and thought, I'm 53, got an unencumbered property, I've earned all this money, I've got a big job, why do I do it anymore? I don't know why I'm doing it anymore. And it really changed some of their philosophy.

I've always believed that inflation, contrary to what the Bank of England say, which is once you're at the labour market, you're not coming back in. I've always believed that inflation can force you back in. And the sort of inflation that we've seen over the last few years is starting to prove to be right.

Now, some people are at the labour market because of the extremely long waiting lists we've got as well, because the NHS has suffered significantly, because even though fairly significant resources were pumped in, if your budgets aren't there and your waiting lists get huge, more people are on long-term sick. There's a very, very clear correlation between those two things. The third reason why people are normally at the labour market is because they're studying for something.

And recessions normally bring more studying because qualifications effectively get diluted and devalued and you need the next qualification to try and stand out. So that's where we are. It's incredibly tight unemployment and that is actually historically unprecedented for us being in the sort of economic situation we're in.

We used to consider six-ish percent unemployment as perfectly acceptable and a sign of a healthy economy. There is a concept of the natural rate of unemployment, which I won't bore you to tears with, but we are at 4.2 at the moment and we've been down as low as 3.8. That's historically very low. Now, the problem with that, if you like, is that the Bank of England can look at that and go, well, we can afford a bit of unemployment.

But once again, it's not like the masters of their craft sitting in a room, pressing a button to go, actually, we can do with inflation going down by 0.7% in the next three months. They do not have that level of control by any stretch of the imagination. They have one big lever that moves the interest rate, which is slow and takes time to take effect and they can't necessarily control.

It takes effect over six to 24 months or even longer. And that's something I'll go into a little bit more detail on later on. And then household balance sheets.

So on the face of it, it looked a pretty good deal. In 2020, the government spent around about £450 billion stimulated into the economy. Household balance sheets went up by £950 billion.

Right, so it created value. No prizes, but I'm going to ask the question anyway just to keep everybody awake. What was the thing that was the major driver of household balance sheets going up so much in 2020?

Not quite, that is a point, but it's easier than that. It's almost a trick question. House prices, there you go.

House prices went up so much. So the vast majority of that was where the average person's wealth is generally stored. If they're a homeowner, it's in their home and that's where it all came from.

Market was up about 8.5% that year, if you recall. And then productivity. Productivity is an ongoing problem.

It's a fairly simple measure. It's looking at output divided by the cost of input. Now, what some of the problems are, when you have inflation, cost of inputs go up, cost of wages, cost of everything else.

That puts more pressure on productivity. But in reality, we've struggled with productivity since about 2007. We haven't really, we've had a unique problem to the UK, the US, Germany, places like that.

They have pressed on and increased their productivity. And there is a school of thought, which Ray Dalio would subscribe to, if people are familiar with him, that says if you can't increase productivity, it's very difficult to increase GDP. Which is a worry, of course.

So, where are we in the cycles? And these are the cycles that I've boiled us down to just quickly. The interest rate hiking cycle, capital economics, who I respect more than I do some of the other forecasters for sure.

So we're almost certainly done with interest rate hikes. The market today would tell you there's still another quarter of a percent in it. That's their best guess at the moment, but at or near the top.

Is base rate the most important thing to us? I would argue absolutely not. Unless we're sitting with a portfolio that is linked to base rate, it's not the most important thing to us.

The debt pricing cycle is much more important, right? So this is the cost of the five year, generally speaking five year, I talk in five year terms, because I personally use pretty much solely five year financing or longer. Some of that is due to administration reasons apart from anything else.

But generally speaking, it tends to be a lower risk strategy in my view. Thanks to what Liz trusted and the budget that happened or the mini budget that happened last year, that spiked significantly. And we seem to be past the top.

The top we saw for the five year bond. And that is how the mortgage rates are ultimately set and priced was 4.98%. Whereas this morning it was 4.18%. So we're in quite a bit better shape than we were. And I put there the swap rate close last night.

So for those who don't know what we do or what lenders do as a rule, is they've really got two sources of getting money to lend to us. Either they get it from their depositors, their savers, to pay them a lower rate, they lend it to us at a higher rate. They keep what's in the middle and their costs have to come out of that fairly simple business model.

Or they go to other banks or financial institutions and say, we want to borrow X hundred million fixed at this rate in the case of the five year swap at 4.31. What do they then got to do? They've got, they've just got to lend it. So they haven't got a saver at the end of that.

They've just got a lender and they lend it. It's like rent to rent effectively on pretty significant scale. 18 year cycle, as I've said there, I'm not a big fan, but if you wouldn't expect the 18 year cycle to be disrupted by a pandemic, which is 100 year plus a rare event, I think you need to probably think again about that.

And if you go back and look very closely at the 18 year cycle, sometimes it's actually 16 years, sometimes it's 20, sometimes it didn't happen. So it's an interesting one. But the pandemic cycle, some work that I did in 2020 showed that historically, you've got to go back hundreds of years.

You know, we have the Spanish flu that you might remember, but there obviously were other significant pandemics, black death, things like that, where massive swathes of the population died apart from anything else. And it generally meant unlike a war, lower GDP because people are saving money, people are contracting. And it meant in the fight between labor and capital, which is the only fight of interest to an economist like me, ultimately labor won.

And when I say labor there, I don't mean the labor party, I mean workers. Workers got paid more because they became more scarce. Now there was an argument this was going to be different this time around because people didn't die off in huge, huge swathes like they would have done in a black death style scenario, but they still removed themselves from the labor market, as we were saying earlier.

So you still were dealing with much tighter. What does that do? Just like anything in economics, the basic principles, demand and supply, supply is down, demand is actually up because everything's been inflated.

What happens? Price has to go up. It is as simple as that.

So where are we in the cycles? This is from the IMF, and this has got a few bits on there. And this was a prediction they put out a couple of years ago.

And the point is, how does it compare to number one, the red line, the financial crisis, and then other modern pandemics? So they would be more country specific, things like SARS and MERS and stuff like that, Ebola. And what does the pandemic look like compared to a typical recession?

So you can see there, almost all of them, the blue line, the typical recession, everything recovers a little bit more quickly. And this was an attempt to put it into context with how damaging was it compared to the financial crisis. And obviously the thought at the time, very roughly, is that it's around about, I mean, there it's pretty equal, there it's pretty equal, but it's about half as damaging or less than the financial crisis.

It just puts it into a bit of perspective, really. So we have to remember where the market interference has been, because when you mess with the market, different things happen. So repossession, there's been holidays, there's been bans, there's been forgiveness.

We're still in one of those cycles at the moment. Rent caps in Scotland, that's been an interesting one, because what does it, what's it meant? Does anybody know the city that has risen more in the last 12 months for new lets in the UK?

Kind of giving you a bit of a hint there, Edinburgh, dead right, over 15% up year-on-year rents, because the landlords say, as this is the only chance I've really got to raise the rent in any significant way, so I better push it as high as I can. And that's a direct consequence of the rent cap policy, which there's tons and tons of evidence that shows that rent caps don't work and they work against the market, but it's an ideological thing, unfortunately, not a factual thing, so it's one of those. Section 24, of course, that's interfered, and you could argue that in the last 24 months, section 24 has really actually started to bite, because when interest rates were nearly nothing, it didn't matter so much.

And even George Osborne, idiot that he is, gave us four years for that to be phased in, but it hasn't been phased in over four years. It's been phased in over about 20 months of interest rate rises. And there are landlords with portfolios at the moment in their personal names who don't even understand they've lost money this year, they know that much because they can read their bank balance, and then their tax return is going to come and they're going to get a tax bill.

And they're not going to believe it when they do, but they will because of the way the tax works. And then of course, immigration at record numbers, we know that 606,000 net immigrants last year, it puts even more pressure on the housing market. Of course, it naturally does.

And that led me to put this slide in really, because no one ever talks about it and annoys me. GDP is one thing, it's notoriously bad at telling you about the person on the street, right? But it's the measure that they all use and we're kind of stuck with it.

But why don't we talk about GDP per capita, as in per head, right? So you can see here, this is my drawing skills here, they're fantastic, aren't they? So that's the line from, how long did it take to get back to that sort of early 2008, late 2007?

So it took us there, you can see there, it's round about 2015, before we get back to, this is adjusted for inflation. So it took us the kind of seven years or a little bit more to get back there. Where was our peak?

It was actually Q1 2020 before anything really happened. And that's so not anywhere near as dramatic, although there was obviously a big U-shaped recovery, which was the hope of most people, but it's sliding downwards. Why?

When you hear there's no recession, because recession is just measuring all of the GDP, not GDP per capita. So people are worse off. There's more people having to make up the same domestic product, is what's happening at the moment.

So, what do I think is gonna happen? Yeah, lots of talk, mostly treacle, I described at the beginning of this year as treacle, it's slow, interest rate rises are painful, but you're almost waiting for certain things to happen. You've then got lots of people saying, well, wait for the crash, wait for this, wait for that, which frustrates me quite a lot.

Now, of course, you have to think about black swans, because the whole point is you don't see them coming. So, Middle East situation, what would the black swan be? Does anybody wanna volunteer an answer to what would the black swan be?

Go on. So, I was more thinking that Hezbollah, if Iran get involved, despite the US flexing its muscles, it's viewed as a very low probability event, which is the cornerstone of a black swan, with a really significant outcome, oil probably $150 a barrel or more if it happened, because China and Russia may well get drawn in on Iran's side, and it really could be something that look like World War III. I don't mean to scare anybody, that is a very low probability event, but that's what black swans are.

So, yields to decay very slowly, if anything like a soft landing has been achieved. So, where we might be, and it will be a fluke if we are, but where we might be is, people mentioned it earlier, people saved a lot of money during the pandemic, because they couldn't spend it, they couldn't go out. So, they saved it, and they saved it because they were scared.

So, there were no savings rates at the time, there was no incentive to save, but the biggest incentive to save was there, we don't know what the future holds, we're gonna hoard money. And the money that we did spend socialising or whatever, or going on holidays abroad, we couldn't spend, we held it all behind. So, then as prices started to go up quite aggressively, people could dis-save, they could spend their savings that they'd built up over the pandemic.

And they, well, we haven't been on holiday for a few years, can't really afford it, because what about the electric bill? Well, we've got the savings. So, it cushions things as people try to consume.

And then as that starts to run out, we're now in a period where wage rises are above inflation, which normally historically would be a big concern, because this is what happened in the 70s, right? There was a wage price spiral, wages go up, wage demands go up, prices go up because businesses have to put prices up. So, wages go up, and where does it stop?

You know, it stops after it gets to a near cyclone of activity, really. They managed to kind of stifle that off pretty well, although the government won't be thanked for it, they haven't done the worst job in the world, to be honest. But yields would decay slowly because we need time to get over this.

Look at all that time on the chart before it took for GDP per head to come back, seven years. You know, it's a lot of time. And then the debt war, and this is the concept that especially bigger companies, whose CFOs get paid lots of money to get smarter people than me in to advise them on what to do.

Beginning of 2022, they took out a record amount of debt, and they fixed it for an average duration of 17 years, because they saw, why did they do that? Well, December 21 was the first rate rise, and they thought, do you know what? We've had a good run.

Let's just make sure we restructure as much of this as we can for as long as we can. Now, we didn't have that luxury necessarily, but I know lots of people, I know Dan and Adam were talking about it as I was in late 21, early 22, saying fix now, fix now, and that bought you five years. And I know from what Dan told me the other day, Adam and I both spent an inordinate amount of money on early repayment charges, and probably now would agree it's probably the best money we ever spent.

And that's a great result. But of course, not everyone did that. And people who were cultured into 15 years of very low rates, what's the problem?

You know, rates aren't gonna go up to five. I would have been one of the people saying, well, it probably won't go to five and a quarter, because the economy would be on its knees. But it looks like we've all probably been wrong on that front at the moment.

Although hiking cycles normally end in absolute bloodbath, so I should manage your expectations on that. So the debt wall is important because more and more people are dropping off fixed rate loans every day. All right, if you bought in, imagine, so where are we, November 23.

So you bought in November 21, the market was already really hot, you were chasing it. You had a bounce back loan, you overpaid for a property because you were dead keen, and you had a two year mortgage on it. Great, where are you today?

Market may be around about where it was then, maybe a little bit higher, but much more difficult to sell stuff. Market's not really hot anywhere. And suddenly, instead of the 2.85% you paid at the time, you're looking at your refinancing options and they're 5.5% with a 5% fee. Very, very different proposition for a basic vital debt. So you do have to put this into context though, of course, surprises everybody, but 56% of investment property is unencumbered. And it surprises us when we move in circles where we're here, we're trying to grow portfolios, property businesses, things like that.

We kind of have to use that as a general rule, but 56% is unencumbered. 33% of all households in the country are debt free owner occupier. 28% have got a mortgage.

That's an average 42% loan to value. So they're not crippling the over leverage. The average, does anybody know what the average loan to value is when you take all the housing stock across the country?

Probably have a little guess based on all of that really. 20%. That's how much equity there is, trillions and trillions of equity sitting there.

It's one of the reasons why I think equity release is a massive product for the future, but that's another conversation. And I've shouted at the bottom there, I do apologise. The stress test has been at 5.5% for 11 years. Everybody seems to forget that. People were underwritten for residential mortgages at a 5.5% pay rate. So when they were underwritten, they could afford 5.5. They might have paid two. In fact, they might have paid one if they did it in 2021, but they didn't get the loan unless they could afford 5.5. Now, what happens to that extra money? What do you reckon happens to that extra money? Because I don't know the answer to this, but I can have a guess.

There'll be a small percentage of people who saved it and diligently overpaid their mortgage, probably 5, 10, 15%. Rest of them will have consumed it or most of it. Absolutely.

So what does that do? Well, it lowers consumption, which is the biggest part of GDP, which actually isn't a bad thing at the moment because it's disinflationary and that's not against what we need. So what do I expect to happen?

Prices hold up in the housing market in nominal terms. So as in that's not adjusted for inflation, but continue downwards in real terms after inflation has been taken into account for the next nine to 12 months. You know, 2% down nominally or 2% up.

It doesn't really matter. I think that's where we'll be. I think they're roughly equally likely at the moment.

Economies are stubborn. So despite how stupid the government can be sometimes, it doesn't necessarily wreck everything. They limber on like wounded wildebeest, but they manage to get on with it because people do get on with it.

People forget. You go through life, you get more skills, you get promoted, you get paid more, you want to consume it. It's all part of the cycle.

And then the soft landing conundrum, as I said, that'll be luck, not judgment. If it happens, taxes to go up after the election giveaway and that's all pretty much guaranteed really. And this is one of the big ones, social LHA policy to change if the election goes the way everybody thinks it will.

And that's where I think a significant amount of the opportunity will be. So I think we're looking at a much slower decline in base rates than people would like. But like I said, let's not get obsessed with base rate because what we care about is the bond yields.

So that continued decline back into under 4%, which makes things inherently more affordable. I like to talk about the debt in terms of putting the arrangement fees in with the cost of the debt because otherwise I think you're kind of kidding yourself to an extent. Yield based valuations, I think they'll probably hold firm or so, or a little bit of a decline.

So they're going against us a little bit, but nowhere near as much as they would have declined if someone turned around and said, well, the interest rate was 0.1 and now it's 5.25. So everything needs to make 5% more money. I mean, can you imagine the damage that would do to the commercial property market? Luckily the market doesn't do what's called mark to market.

So it doesn't happen like that. And yeah, transaction volume to stay low. Everybody forgets, everybody cries crash in the media sometimes just to get you to click the headlines.

Of course they do, but they forget the real impact is actually transaction volume stay low. So transaction volumes this year will be 300,000 lower than they were the year before. And we did nearly 1.5 million transactions in 2021. We'll do about 800, I think we did about 950 this year, something like that, maybe a million. So there's a massive difference. And so people sit, they don't crystallise losses.

They just sit on property, right? And yeah, deals to keep popping up as long as you're consistent. So these are the bits of what to do.

Fill your pipeline, follow up and follow up. I know that Dan talks about that. Creative deal structures I think are good.

What about sharing equity and joint venturing rather than taking debt on? The more expensive debt is, the riskier it is. What's the point of sharing equity because you have to work harder for the same money.

I've done loads of that over the years. First of all, probably stupidly, and then more intelligently as I've figured out my strategies as things have evolved. This is about fragility I've put on there.

Anyone who knows, well, Black Swan, famous book by Nassim Nicholas Taleb, he's written another book called Anti-Fragility. And the point here is, where do we start from at the moment today? So a small problem when we're already on a knife edge is a much bigger thing than a surprise referendum result in 2016 when the economy was actually chugging along okay.

And it didn't really throw us off our course too badly. Cashflow is king, so active asset management strategies. I'm talking SA, HMO, things like that.

Cashflow is more king than it's ever been and it's harder to come by because of the debt rates. So solve problems, that's what you do. That's what everybody in this room does.

If they don't realise it, what do you do for a living? You solve problems because you get paid well for solving these problems. And then absolutely do not, and I don't think you'd be in this room if it's applied to you, but don't use the current state of the market as a reason for inaction.

So remember strategic pillars of a business. Where should your strategic positioning be? Remember it's get rich, I'm shouting again now, I do apologise.

This is get rich slow. Hold on to what you've got first. One of the key things I read, if we go into a recession and the credit starts to tighten a bit more, right?

Your first job is to hold on to your existing assets. Don't get distracted from that job. If you do that, you've probably done well.

Don't over leverage at this time, but there will be a massive opportunity potentially with some creative deal structures as we've gone on to down here. You've got to remain financially attractive to lenders because lenders are looking for reasons not to lend to people at the moment. And don't be scared to move deals on.

You know, don't try and overtrade. If you can sell it to someone, potentially someone in the network, brilliant. Well worth it.

Take the money up front now, bank it. Biggest sourcing fee I've ever paid, I think is 50 grand. And I've paid it with a smile on my face because I made plenty of money on the deal.

And that person understood that. Keep the right people around you. Remember, deals find money and delivery beats perfection.

And then my four strategic pillars that have always been running through my property business, acquisition, finance, delivery, and asset management. And I've gone a little bit longer than I wanted to. We've probably got time for one question.

So hopefully it'll be good.

[Adam Goff] (1:06:57 - 1:07:12)

We've got some time for some questions actually. So why don't, thank you. Can we give Adam a big hand for that?

That was wicked, wasn't it? So who's got a question for Adam? Yeah, that's just the mic.

[Speaker 8] (1:07:16 - 1:07:26)

Hi Adam. The deficit dropped back down, I think it was on the first slide. What was the main reason the deficit came back down instead of increasing?

[Adam Lawrence] (1:07:26 - 1:07:52)

Because GDP was coming back up through that U-shaped period, really. So obviously that's one of the flaws of the percentage measure, but it didn't immediately bounce all the way back up. It went up, if you go, if you have a look at it, you can see the, It wasn't paid off, is the main reason.

That's the per cap, isn't it? But you still see the, yeah, it wasn't paid off. No, it wasn't paid off.

We're still in deficit, generally speaking at the moment.

[Speaker 6] (1:07:55 - 1:08:04)

Hi Adam. Hi. First of all, great presentation.

Thank you. I actually do read your Sunday supplement, but I can't say I always read every single line of it, being a supporter.

[Adam Lawrence] (1:08:04 - 1:08:05)

I don't blame you.

[Speaker 6] (1:08:05 - 1:08:22)

I always look for the pictures. You mentioned earlier, obviously, if there's a, you know, after the election, depending on what we all think might happen, there's going to be some changes in your mind to LHA social. Just sort of broadly, what sort of things are you thinking we'll see?

[Adam Lawrence] (1:08:23 - 1:10:26)

So I think if you look at most of the business models that focus in that area, they all further than that, those supported living, or all the way through to, you know, extra care and things like that. Generally speaking, the proposition is, we can save the government or the local authorities money that they're already spending if those people are in hospital, sleeping on the streets, in prison, in a secure unit, in all of those things. So there is a really strong economic case for doing that.

And there are still good margins in some of those at the moment. And my thoughts are pretty simply, if you've already gone through a significant period of austerity and everything's been cut back to the bone as much as it can, you know, LHA rates now, you're in some parts of the country, they're supposed to represent the 30th percentile. So you stick up all the stock and the bottom 30%, in terms of price, not necessarily in terms of quality, but of course it is probably reflected that way.

The bottom 30% should be affordable on the LHA rate. There's parts of the country where it's 3% at the moment, and those numbers are six months out of date. So I dread to think it'll be at 2%.

And so it's completely and utterly broken. The supply and demand side is completely broken. And what that actually ends up doing is from an economic perspective, it kicks people out into the more expensive categories of housing because they become homeless.

So they need to go into temporary or whatever. The Labour Party, the Conservative Party ideologically cannot solve that problem unless they've got a very centrist prime minister. The Labour Party can, although they might do it by luck rather than judgment, because again, it'll be ideologically driven because housing always is, unfortunately.

But I do think they'll know they need to invest in there in order to stop, temporary has gone from 115 to 130,000 households in temporary in under the last 12 months. So that's what's that 14% growth, something like that. And they need to snap it off somehow.

[Adam Goff] (1:10:27 - 1:10:32)

Thank you. Any questions? Yeah.

Just quickly, what did you mean by share equity?

[Adam Lawrence] (1:10:33 - 1:11:17)

So JV, potentially, or we've done some deals where we've done hybrid setups with people. So the investor, instead of them getting a higher interest rate so that we don't put pressure on the cashflow, we will give them a minority shareholding that will agree to pay them out in dividends in the future. So the model that's very widely used in the US that I like quite a lot, and I don't know why isn't used so much over here, but it can help you.

If you've got something that yields 10%, but in the way you stack the deal, there's no margin there for you because the private investor needs 12% or whatever it is, then can they come down to eight and take your shareholding and there's cashflow for everyone? Great question, thanks.

[Speaker 8] (1:11:17 - 1:11:20)

That was brilliant, Adam. Really appreciate it.

[Adam Lawrence] (1:11:20 - 1:11:57)

I feel I should know, but I don't. The 18 year cycle, what was that referring to? So there's an economist called Fred Harrison.

He's written a number of books. He's an intelligent guy by no, but that's his selling point. So every 18 years, the market corrects significantly to the downside.

And it really only, the housing market, that's right, yeah, the housing market. So there's a crash. So we're due for one in 2026, apparently.

But as I said, at the moment, I don't see how it would play out for that to come about that way because we're having credit contraction and... One more question.

[Adam Goff] (1:11:57 - 1:12:07)

John. Adam is hanging around for lunch. He's gonna do a private dining.

I'm not sure if he's here much longer than that, but yeah. John.

[Speaker 7] (1:12:08 - 1:12:31)

Adam, when we, obviously through COVID, people weren't buying houses and all of a sudden every man and his dog was trying to buy a house and prices went nuts. Do you think we might see the same thing in a couple of years time when rates have dropped and transaction volumes are low this year, next year? Are we gonna see another spike in 25, 26, 27?

As every man and his dog goes, right, I can afford to move again now.

[Adam Lawrence] (1:12:31 - 1:15:17)

So it's a fabulous question. And I think this is why this is quite, forecasting is quite hard because you have to think about, there's multiple different things going on at the same time that are sometimes pushing in different directions. So to give you an example, the other thing in 21, of course, there was the stamp duty holiday, which meant people, what happens in those situations?

People bring forward transactions. They might've been thinking, we'll move in a couple of years and then thought, oh, stamp duty holiday, go. Hence why we had so many transactions.

That affects the market in a tapering down fashion for a few years. That gives you a reason for a bit of a lower transaction volume. In order to achieve what you're saying, I think you would need a relatively dramatic drop in rates.

And if that did happen, if it was a really dramatic drop, that only happens when we've got a big problem or a black swan situation. So we might have other considerations to think about if that was the case. But of course, you've got the reverse at the moment.

People are holding off on transactions as well because the average person on the street is going, well, right, it's gonna come down in a bit. And then they'll turn around in two years time and realise they haven't done anything because the rates haven't come down that much if that's how it plays out. So obviously that is creating a bit of a concertina at the other end that's in the pipe, but will it happen all of a sudden like a sluice gate?

I mean, what would you also need? You know, this is a bit like saying, will planning policy suddenly be overhauled and it'll be magically easy to build houses. I just don't see a route to how that ever happens.

It only seems to get harder year on year. So possibility, but I think you're probably more likely to see an edge down. And is there a magic number in there when suddenly people are paying?

Where have I, put it this way, I built a model or I got my analyst to build a model over the last week or so for a joint venture that we're in. And we put in 4.25% pay rate for five years time. That's my best guess as to where we're gonna be.

That would be on a buy to let five year, 4.25. That tells you where I think it's gonna go. And what people don't realise when they look at the futures curves, the forward curves for the interest rates that the market is predicting is the market at the moment is not saying rates will be 4% by the end of next year. The market is saying rates would probably be about four and a half base rate, maybe 4.75. But there's a 5% chance rates will be zero because of those black swans that can occur in the interim. So I think it's more likely to be a longer drawn out thing but anything's possible. And if rates do go back down to zero and you fixed a lot of debt on long, you're gonna pay the early repayment charges again with a smile on your face and then try and fix for 10 years this time when you're down at 0%, aren't you? Some of mine were 10.

Brilliant. Well done.

[Adam Goff] (1:15:18 - 1:15:23)

Ladies and gents, wasn't that amazing? Let's give him a massive round of applause. Thank you so much, Adam.

Thank you. Very welcome.

[Speaker 10] (1:15:28 - 1:15:29)

My pleasure.

[Daniel Hill] (1:15:32 - 1:15:35)

Adam is one of about, well done. Thanks Dan.

[Adam Lawrence] (1:15:35 - 1:15:35)

Thank you.

[Daniel Hill] (1:15:35 - 1:15:47)

Adam's one of three people that I genuinely enjoy listening to his content. If you wanna take his details here, you'd be able to follow his Sunday supplement. Follow YouTube, subscribe.

[Adam Lawrence] (1:15:47 - 1:15:51)

Please, yeah, please, please, please subscribe. Forgot to say that. Well done, Dan.

[Daniel Hill] (1:15:51 - 1:16:00)

Yeah, you're very welcome. If you can like, subscribe and follow Adam. I would recommend tuning into the stuff that he says.

Is that Adam G? Sorry, what's that?

[Adam Lawrence] (1:16:00 - 1:16:01)

Yeah, that's my middle name.

[Daniel Hill] (1:16:01 - 1:16:02)

Nice.

[Adam Lawrence] (1:16:02 - 1:16:03)

Not that I'm a gangster.

[Adam Goff] (1:16:03 - 1:16:05)

That's my surname, Gough. I think we're like blood brothers here.

[Daniel Hill] (1:16:06 - 1:32:52)

That's Adam's middle name, Gough. Adam Gough Lawrence. So I was just about to say that actually.

So Adam Lawrence, Billy Turriff and Mark Homer, they're like the three people that I listen to, speak to, talk about this stuff. I'll just give you a heads up. I gave Adam absolutely no brief on the projections, the forecasts, what I've given you previously and reassuring for all of us, myself specifically, we're both talking a very similar game, which gives you confidence that this stuff, this is the way it's gonna play out and this stuff works.

So we're gonna go into another workshop now. Obviously, knowing this stuff is one thing, but actually putting it to good use is something completely different. Next month, we'll be doing your business models.

So in your workshop, in the actual workshop next month, make sure you bring your laptops to every workshop now. Next month, we'll be doing your business model for next year. So revenue, sales, overheads, gross margin, net margin, commercial balance, sweet spots, all of that, we're gonna do in the workshop next month.

But in order to do that, we need to know what you're gonna sell next year. And if we know now what the economy's gonna do, we can decide where we're gonna position ourselves strategically in the market and also products and price points where we're gonna position what we do. So in order to do the business models next month, what you need to decide this month is what are the products you're gonna sell next year.

So if you're deal packaging, what deals do you get? I've already spoken to a few of you today who are deal packaging. Again, Adam said today, sit in the middle, charge big fees, broker deals, sell it to other people.

Last month, I said to you, sit in the middle, don't take on the risk, don't take the money, just make good fees. Someone in the room said earlier about making a 15K fee for packaging a deal. I was like, you're absolutely bang on the money, but you wanna be doing 50K fees, not 15.

So you guys are advanced entrepreneurs. The market's where it is. Adam, again, Lawrence said he would pay 50 grand for a deal if it makes you X, Y, Z.

We've talked about this previously. So what we need to figure out today, you're gonna do this exercise today, you got the month to decide is two things. One is the products and the second is the price point.

So what are you actually gonna sell next year? So we're gonna look at the products to kick things off and we're gonna do this in the room. And the first thing is basically less is more.

You're entrepreneurs, you love the new shiny stuff, the fun stuff, creating the new stuff, and you wanna have 50 different types of products. The reality is we probably actually want less than a handful. Once we know what we wanna sell, we need to figure out how we're gonna sell it.

So we wanna package it up. Somebody looks at it and they say, this is an absolute no-brainer. It looks ridiculously good value for money.

I've got a zero risk downside. I'm gonna buy now, I'm gonna put money in your pocket and you're gonna deliver. How do we do that?

And then third is the price point. When you're thinking about the market, there's three positions in the market you can play strategically. Which one of those three are you gonna be?

Which seat are you gonna take in the market for the year ahead? So I'm gonna take you through these. So the first exercise, I'm gonna stick some music on in a minute, is entrepreneurs tend to spread their self a mile wide and an inch deep.

We wanna flip it completely on its head. Inch wide, mile deep, and the way to do that is less is more. How many of you have been to a restaurant which is leather bound, 25 pages, 100 items on each page, and you've got so much to choose from, you've got no idea where to start.

You've been to a restaurant like that? Absolutely, we all have. It's not the best business choice.

It doesn't make a lot of sense. Imagine the chefs pulling their hair out trying to cook all these different menus. The clients can't decide what they have.

The control over wastage, sweet spots, commercial balance can be very difficult. But as you go somewhere that's clearly making a lot of money and very successful, they're focusing on value rather than volume. And a couple of weeks ago, I was fortunate enough to go to Claridge's.

We went there to celebrate hitting half a million pound that we've now donated to charity. Congratulations to you guys. You did the heavy lifting.

And we went to Claridge's, and the menu was literally, you've got two choices. Do you want it with alcohol or without alcohol? And it's like, it was just very clear, very straightforward.

You knew what you were having, and it was about 250 quid a head. So it was like, they're booked up months in advance. It clearly works.

Maybe that's 500,020 pounds, is it? Okay, Bianca, yeah. Still out of stock, yeah, yeah, it's still out of stock.

So what we're gonna do is think about all the stuff that you're thinking about doing next year. You know, all those great, you're gonna do a mentoring product, and you're gonna do some consultancy, you're gonna do an online speaking event, you're gonna do deal packaging, you're gonna do some flips, you're gonna do some social housing. What, we don't wanna do all of that stuff, but let's get it down to a maximum of a handful.

Ideally, probably one to three products you're gonna focus on. So products is less is more. Gonna stick some music on.

And just think, until a product is world-class, like Property Entrepreneur, this is our 11th year. And for the first six years, it was only one product, it was the program, that was it. For six years, round and round the track, refining it, making it better, making it world-class, and then we added, then we scaled it.

Then we added advanced. Then we added the incubator. Then we added the mastermind.

Now that's taken 11 years, but the only reason that it works is because we did it slow and steady wins the race. So have a think about the next 12 months. Remember the 80-20 rule that 80% of your profit comes from 20% of your products.

And try and think about how to get rid of all the stuff that's just a distraction, it's noisy, it's not gonna work. And pick out those three to five products or services you're gonna do this year that are gonna give you the best results. So put some music on.

So a few good questions in there. People saying, is a strategy a product? And is like an event that you wanna put on a product?

If you think about products, but also maybe projects, and just think again about the academics and sort of like the objective. The objective is to talk you out of shiny pennies. And if you had 10 things you wanted to do next year, the reality is all of them are gonna be less than average.

If you chose just three, two of them you've probably already done. One of them is gonna be completely brand new. It's gonna be at a world-class level.

It's like less is more. It's much better to do things at a world-class level. Time is your only scarcity.

It's like just really doubling down on that and making it absolutely perfect and then move on. Will Smith talks about, for his faults, talks about building a wall. And he says, all you wanna focus on is laying a brick perfectly.

And if you consistently lay one brick the best you can lay it, then move on to the next one. At the end, you end up with a big solid wall, which proper entrepreneur as an example, I would say is a good example of that. But we never rushed it.

We never did it too soon. You wanna do it bit by bit. So whether it's a strategy or it's a project or it's a product, it's less is more.

So just focusing on those things. Any questions on products? All good.

So when you've got the products, you then gotta think about your packages. So this is where the real strategic bit comes in. It's like some things are really easy to sell.

So if I say to you, I'll sell your company for you. I'll charge you 12 and a half percent. I'll charge you zero to list it.

I won't charge you a penny until the deal's done and the money's in your account. If it takes me six weeks or it takes me six months, I'll charge you exactly the same fee and you won't pay me until you've been paid from the seller. And if we don't get it sold, you don't pay me a penny.

It's quite a no brainer, no risk, no downside opportunity. Whereas if I say, I'll sell your company for you for two million quid and I say my fee is a listing price of 25 grand, then it's a 10,000 pound retainer through the marketing phase and it'd be about 150 grand before we get the offer accepted and there's all this cost and this risk. It's gonna be a very hard thing to sell.

It's not impossible, but it's gonna be a lot harder. The way we package it up is twofold. The first is making it a no brainer.

So the no brainer is things like 100% money back guarantee. It's things like I won't pay you until you get paid. So I'm assuming Adam Lawrence, when he paid his 50 grand sourcing fee, he probably already owned the property and knew he was gonna get that profit before he parted with his hard earned 50 grand.

So you want it to be a no brainer. How do you make it an absolute no brainer? When we talked last month about the three levels of charging, you've got the market rate, which is what, 95% of the market charge.

You've got the expertise rate, where because of your experience and your expertise, you can charge more. That's that 5% rate. Or the top 1% who are doing the value slab.

And it's like, again, like the deal source I was chatting to earlier. Rather than saying my fee is 15 grand, you say, right, I can, and actually one of the delegates that I know who I've done some business with on the program messaged me in the week and said, I've got three properties I'm selling. I haven't got the cash to buy myself.

Motivated sellers. Three HMOs, or five HMOs, sorry. Five HMOs, he's got two investors going to buy them.

He hasn't got the cash to do it himself. There's about 200 grand in the deal. And he said, how much should I charge?

I normally charge like between 10 and 15 grand. I said, that's sound, but how about, rather than say 10 and 15 grand, introduce it and hope for the best, charge up to 33% of what they're going to make. But don't charge them until the deal's done.

So now he's gone from making, say, 30 to 50 grand on fixed fees. So he's actually going to make 33%. And if he gets the 200 grand, now that's 60, 70 grand in fees.

All he's done is repackaged it and said, I won't get paid till you get paid. Here's the deals, you're the buyers. He's going to flip them on and he'll make a percentage of it.

So I'm going to make it a no-brainer. And then we want to make it a value stack. So the value stack right there is, if I can make you a million pounds, will you pay me 100 grand?

Most people would say absolutely yes. If you've got a product to sell on face value, so anything, literally anything. So Simon does his drones of everything, buildings, houses, wind turbines.

So right, well, that is a 2,500 pound a day, maybe, or a day product. And people know it's 2,500 pound a day and that's the product. How do we create a value stack where they think they're getting, they're paying 2,500, but they think they're actually getting 5,000.

Well, we put the product in there, but then we stack it up with loads of additional value that they haven't considered. And also value that they think they're getting a high perceived value for, but it costs you zero. It looks to them like they're getting loads of extra value for free, but it has no frictional cost.

So for example, if you're given, if we use drones as an example, if there was additional, yeah, just anything like, so yeah, how to review it. I will give you an advanced, it's not that I've not chose the easy example. Josh, go for it.

So Guillaume's was additional reports to go with it. Absolutely. Or free store, we normally charge 500 pounds for a year's storage.

We'll give you it for free. But the reality is it's on their cloud anyway. It's like, you know, it's all this.

Josh.

[Speaker 5] (1:32:52 - 1:33:22)

One of the ways we do our campaigns is we do the free UFD reviews, as most of you have seen. And that's like the kind of the first part of the kind of journey we go on with people. One of the things I did this year to kind of increase the stack of that value is it was an NDA signed in advance.

So you got an NDA template. It costs us nothing to like send that out. It's like 30 seconds or whatever.

But the perceived value of now somebody signed NDA and that was a totally confidential conversation. It just like, it just, it meant they just rocked it. And it's just one of those small things that like took it to the next level.

[Daniel Hill] (1:33:23 - 1:33:45)

Fantastic. Perfect example. Productization is another one, which is actually creating money for nothing.

It's like, rather than call it, I'll have a look through your books for you, mate. It's like the UFD platinum package, NDA sign in only. That's how Josh used to sell it.

Exclusive private and confidential conversation with our senior portfolio manager.

[Adam Goff] (1:33:46 - 1:33:55)

Another good one would be like, if you come on the blueprint and then we'll give you the recording for free, which we normally charge export. So there's absolutely no real cost to doing it. But then they can get that value over and over again.

[Daniel Hill] (1:33:55 - 1:46:10)

Exactly. No frictional costs like spreadsheets, you know, templates that you've got. When we did the deals, deals, deals online training, you got the exact appraisal blueprint that I use to build over 10 million pounds worth, to make over 10 million pounds and build to rent development.

It's just an absolute no brainer. But to me, it's just a document. It's a spreadsheet, but it's, you give it a name, you brand it up, you package it up.

So you want to make it a no brainer by removing the risk, removing the upfront money and then a value stack. How do you create the perceived value to be very different to the cost? And this is the perfect package.

And we talked about this on advance last year. For those of you that are new, one of the things that we added last year was Alex Hormozy's $100 million offers. If you haven't read that, there's an equation in there, the value equation, which talks about the way to make it an absolute no brainer is the dream outcome that somebody wants, how to make half a million pounds.

Like the tagline for deals, deals, deals was it costs 50, 500 pounds and it will make you 500,000 times the perceived likelihood of achievement. How do you give somebody the confidence they're actually going to get the result? If I'm selling your company for you and you're not going to charge, I'm not going to charge you a penny until it's sold.

It increases their confidence that it's got high perceived likelihood of outcome. That's the value. And then you divide it by, so the two things that are going to make people think it's worth less is how long does it take?

I can make you a millionaire, it's going to take you 25 years, not very attractive, times how much effort and sacrifice. The example he gives in the book is, if you can say to somebody, turn up at my operating theatre, I'll give you liposuction and you'll lose five kilos in 45 minutes, it's significantly quicker than, and it's significantly easier than going and doing 20,000 steps with 1,000 calorie deficit for 25 weeks. It's like reducing that effort they've got to put in the sacrifice.

How can you do it? So I'm going to stick some music on for a couple of minutes and think about this package. What we're looking for is this perfect package of what is it you're actually selling?

Is it deal sourcing? Is it value slab? What's the value you're actually creating?

How are you going to package it up? How are you going to put a bow on it? What are you going to call it?

And how are you going to increase the perceived value and reduce the barrier to entry by making it an absolute no-brainer? So so so Okay, so hopefully that's giving you an idea of the perfect package and it is this concept of ramping up the value, doing the value stack, making it a no-brainer, putting in a box, putting a bow on it, and giving it a name, productizing it, etc. I just had a fantastic question which takes us on to the final point which is about pricing.

Is when you're doing this packaging, so the question was we have a specific product for high earners but we really struggle to position it. The easiest way to sell to a niche is to basically get rid of everybody else, especially when it's a high ticket price point. So I had a conversation with MD or CEO that I sit on the board for and we're talking about marketing and they had three proposals for marketing companies.

One was two grand a month, the other one was five grand a month and the third one said that we only take on clients with our minimum spend basically is you've got to spend £10,000 a month with us to come on as a client. Which one of the three do you think you wanted to go with? You wanted to go with the third because it's like that perceived value of this is only if you can afford £10,000 a month.

When we do our Financial Fortress training which we did last year online, a few of you in the room did it with me, it was capped at 10 people. We said this is only a value to you if you're earning over £100,000 a year already because you give it that position, that strategic position, immediately the people who are already earning over £100,000, their ears are pricked up and they're like wow, this is for me. I want to get involved in this but the other 70, 80, 90% obviously fall away.

So you want to think about that, the positioning and the final part of that is your price point. And there's three price points. If you're doing something for high earners, your price point wants to be high and you can take exactly the same product but charge five times as much for it by strategic positioning.

So Coke, Coke Zero. If you go to a supermarket and the actual price from Tesco, if you buy a multi-pack from Tesco for a can of Coke Zero is 50p. So if you want to buy it lukewarm, covered in dust, probably rat's piss, in Tesco, it's going to cost you 50p.

You have to turn up yourself, carry it home, put it in the fridge, you know, that is what it is. If you want to go to Claridge's, where we went, and have exactly the same drink, hopefully minus the rat stuff, exactly the same drink but it's poured in a crystal glass. It comes on a tray.

The glass is ice cool. The ice is ice cool. It's £7.50. It's £7.50. So it's like it's exactly the same product but it's a different package. It's a different experience and specifically it's a different price point. Ahead of next month, think about which price point you want to be operating. There's only three categories in any market.

You've got cheap, which doesn't work. Washing up liquid from B&M, complete false economy, doesn't work. Adam's hair gel, complete false economy, doesn't work.

Cheap, cheap is just cheap. It's a race to the bottom. The second is value for money, which is that sweet spot.

You want to have your trades and your contractors and your principal contractors. Great value for money. Do a really good job, charge you a fair price, happy days.

And then the top one is either premium, which is positioned for your high earners, premium, niche or it's expensive. You are paying £10,500 for a Louis Vuitton handbag. Yes, it's great quality but you're really paying for that luxury element.

You're paying for the logo, you're paying for the brand, the intangibles. They're the three levels of it really. For your homework, it's already on your homework list.

Between now and next month, have a think about your strategic position for next year. And in order to do the business model next month, you're going to need to know what products you're going to sell. Ideally, less than three, maximum five.

How are you going to package them up? So what's it going to include? What do they get?

Is it a monthly service? Is it a one-off? Does it come with customer service support?

Is it a minimum of five deals they have to buy? What is the package? Is it no money down?

Is it deposit up front? How do you value stack it? And then price point.

Are you going to be another £15,000 HMO deal sourcer and there's no shortage of those? I used to sell HMOs for £15,000 in 2011. And that was when I was just like starting.

Nowadays, you can genuinely get away for HMOs selling them for £30,000, £40,000, £50,000 developments. Take a slab of the equity, get yourself into the six figures. There really is great deals to do.

And price points. Now, are you going to go cheap? In which case it's a race to the bottom.

Stack them high, sell them cheap. Is it value for money? It's probably the mass market.

Or is it that top 5%, the top 1% value slab, premium, executive, luxury, right up that top end of the spectrum. And then finally, up the top, is how many of each are you going to sell? So in your business model next month, when we do it in the room, it'll be for the 12 months ahead, for 2024, I'm going to do, I'm going to sell 10 HMOs, one development, three single lets.

These are the price I'm going to charge. And that will obviously give us our top line. And then next month, we'll work back from that and do your budget and your business model from there.

Cool? Excellent. So best of luck.

That's your homework for the month ahead. Adam's going to come up now and close us off for lunch. Thank you.

[Adam Goff] (1:46:10 - 1:51:43)

Nice. Thank you. Okay, we are going to go to lunch in just a second.

But can we do that session? Really good, right? We've got to be thinking super strategic.

I think one of the things when I think of, when I think of strategic positioning, is appealing to being everything to someone. Sorry, being everything to someone, not something to everyone. Being everything to someone, not something to everyone.

And kind of overarching this, we've got to keep ourselves in check when we don't try and offer everything to the world. The more niche we are, and the more we are a big fish in a small pond, the more successful we will be. And it's really hard to do, but it absolutely makes the difference.

So that's kind of my closing sentiment about this. You know, do you want to be the little fish in the big pond and you're getting hunted by the big fishes? Or do you want to be the big fish that's doing the hunting?

That's how I really look at this stuff. So I think I just wanted to close the sentiment in this really brilliant session. We've had insight from Adam and Dan with that final thought.

Okay, so before we go to lunch, we're moving on to our second new KPI, which is our health KPI. So, health. Why is health important?

Because we want to perform at our best. We want to look our best. We want to feel our best.

And we want to have the years left to enjoy the wealth that we're going to create. No point being the richest person in the graveyard. We want to have the quality of life to actually make the most of it and enjoy it.

That's why it's so important to us. So, as Dan said at the start, this is going to be all about your metabolic age. Just out of interest, who here has ever tested their metabolic age?

Just so I can get a show of hands. Okay, cool. Yeah, so maybe 20, 30% of the room.

That's quite good. I know you have, Dan. All right, yeah.

Interesting. So, yeah, so there are obviously a number of ways to increase, decrease your metabolic age. Actually, when I did a bit of Google research, I was like, wow, this is going to be our new KPI.

I really understand actually what this is. Turns out that actually doing a lot of resistance training and building lean muscle tissue is a really good way to reduce your metabolic age. So, that was an interesting little fact for those people that didn't know necessarily what it was or how to improve it.

But don't worry about that because we're going to invite you now to do a health KPI test. And this is a test that Dan's been doing for a couple of years and it's called the Blue Crest Health Screening Report. And this is a detailed test.

Who's ever done a blood test or a health test like this before, like a vitality check? Lots of people, fantastic. Okay, so this year we paid for the board to do it.

This is 100% tax deductible and we've got you corporate rates with Blue Crest specifically. So, you will benefit from a corporate rate. So, fair play to Bianca.

She's done loads of work on this and she's done it. And we're going to get you to book it now in the room. All right, so the QR code in your workbook.

So, start the year off understanding where you are metabolically so that you can spend the whole year trying to improve it and next year around the track, we'll do the exact same thing again. We need to know where we are now because you can't manage what you don't measure. So, we've got to measure it as a starting point and then we can look to improve on that.

So, it's in the workbooks. If you scan the QR code, I'm going to get Dex to put some music on. There are a number of options which you can choose from and the option that we're suggesting you go with is the business exec option, all right?

So, people that are interested in knowing what they're going to get for their money. You're not going to pay now, by the way. You're going to register for it.

So, those people that are already doing it, fantastic. Well done. And then you'll be sent an invoice to pay it.

So, we're going to basically give you the link to our corporate deal. It means you get a significant discount and then you can pick the package which we recommend. We recommend the exec package and this is an example of, for example, what you get.

It's basically going to be a full health report. It's a blood test. It's everything you need.

And every time I've done this, by the way... Oh, there's one here. Fantastic.

Oh, your own one. The health executive. That's the one, isn't it, Bianca?

That we are recommending. Yes. The one in strong blue.

Exactly, yeah. That's the one we recommend. Now, I've done this for a number of years.

Actually, not this specific report, but something similar. And it's always flagged something up. Whether it was low testosterone or whether it was some problem with my fat processing or I've had a number of different things.

So, it's always added value for me. I'm just going to put it out there. So, I'm going to put some music on now.

You can put this in, review it, get it sorted out. So, you can get your second KPI logged for the start of the year. One more thing.

No, no, yeah. You get an invoice. Exactly.

So, what you're doing now is you're not actually paying. So, it's not like a pressure selling. And we're not getting anything out of this, by the way.

This is just you, you know, raising the stakes. Making it happen. You can tweak it later.

Question.

[Speaker 11] (1:51:47 - 1:51:48)

Good question.

[Adam Goff] (1:51:50 - 1:51:53)

I'm not sure. If you scan the QR code and see on the...

[Speaker 11] (1:51:53 - 1:51:54)

Is it in there?

[Adam Goff] (1:51:56 - 1:52:14)

Good question. I'm not sure. Yeah, I think so.

Yeah. Perfect. Probably the same thing.

The business exec.

[Speaker 10] (1:53:15 - 1:53:16)

Definitely pick one.

[Adam Goff] (1:53:17 - 1:54:46)

Like, just do it. You're not paying now. Just do it.

Just do it. Business health executive is the all singing, all dancing. I'll take that for a fiver.

Just shake my hand. Okay. It looks like everyone's done that.

Settle down. Settle down. We'll turn the music off.

Turn the music off. Thank you. Just as an FYI, Chris Moss is metabolic age is 14.

So, 16. That's amazing. I can't believe it.

Yeah. Akash, who's actually 73. What was yours?

27. 27. That's amazing.

Dan, what was yours? No, no, I'm not... No, I'm sorry.

I wasn't throwing under the bus. I'm just... Sam, what is it?

33?

[Speaker 9] (1:54:54 - 1:54:55)

It's something on lettuce and mustard.

[Adam Goff] (1:54:57 - 1:56:05)

Fantastic. This is cool. Isn't it cool?

This is so cool. And for a tax-deductible expense where you're actually going to get a full health screening and if you've got a problem... Sorry, am I interrupting you guys?

No, it's funny because you were talking earlier, but you were the last one to finish the Life by Design school card. Did you know that? Anyway.

He started talking after I thought he's finished. Then you're still doing it at the end. It's just interesting, isn't it, how it works?

Right. So... I am.

I'm going full in. This is it. This is serious.

Exactly. Welcome to advance. So honestly, every time I've done this, it has flagged something.

Seriously, it has flagged something. And it's like, oh, wow. Okay.

So I'm not going to labor that point anymore. Get it done. Okay.

We're going to go to lunch now. Just a bit of a change. So Tracy is going to be on my table.

And Simon is going to be on Dan's table. Have we had a good second session? Ready for lunch?

Round of applause for Adam and Dan. See you back here at 2.30. Thank you.

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Session 3\_Transcription

[Adam Goff] (11:09 - 13:29)

Okay, ladies and gents, that's your two and a half minute warning, two and a half minutes Okay, ladies and gents, that's your one minute warning, one minute if you could finish up those conversations please, make your way into the room, one minute till show time, time to take your seats ladies and gents, take your seats please.

[Speaker 22] (13:43 - 13:51)

Ladies and gentlemen, sit yourselves down, let's give a huge round of applause for head trainer, Mr. Adam Gough.

[Adam Goff] (14:02 - 15:35)

That's karma, that's karma. Get lunch, raise your standards and have fruit instead of dessert. Me, me, pick me.

So many people haven't done it, you might as well get it in now, make it a little worse, it's like whenever I do a health cut, whatever the first health cut, whenever I've done like a body transformation, I've always sort of overeaten in the week before and make sure I get a bit bloated so that my initial scale weight is heavier and I look way worse than I normally do and then it's all, it's all upside from there isn't it? Good, fantastic.

I have to say ladies and gents, I'm absolutely loving today, you loving today? Your commitment is fantastic, I'm absolutely like really, I'm speeding off it so our nurse is going to be an amazing year for us all. Talking about amazing years, those people that weren't on advance last year missed Dan's end of year presentation when he basically announced to the world that he was finally going to get his dream home and in true Dan Hill style, he bought the sofa before he even had the offer accepted but a little birdie told me he exchanged yesterday and he's moving into this manor next Friday, so let's give him a big round of applause. Yes, that is amazing, to think that you'll own all this.

[Bianca O’Connell] (15:44 - 15:56)

No Dan, honestly like I know we were chatting about it in the sauna yesterday and someone asked Dan if he was buying his first house right and I just thought oh dude you have no idea you

[Adam Goff] (15:56 - 16:15)

but like I think like honestly like I just want to say on behalf of everyone like no one deserves it more and we could all not be happier for you so congratulations on not holding back, living the life you want and just f\*\*k what everyone thinks, go for it.

Super yeah, super chuffed for you man.

[Speaker 21] (16:17 - 16:25)

Yeah yeah exactly I know yeah but that means I have to be his butler so it's kind of like business as usual basically yeah so that's all good.

[Adam Goff] (16:32 - 21:24)

He hasn't moved in yet, I'm sure there'll be a guided tour, I'm sure there'll be a PE retreat there, I know, obviously it's going to happen so yeah. Do you remember when you said you were going to buy a big house just so you could host Property Entrepreneurs? Do you remember when you were like we pay the bill for you so much but it just makes sense to buy a house and start doing it at my home?

It's like how things have changed eh? I think that'd be a terrible idea so you need your home needs to be your safe space so yeah yeah loads of pictures, tours to come no doubt, there'll be a whole Instagram branded reel section, it won't be Let's Roll, it'll be something else and it'll be presumably I imagine maybe who knows but I'm sure we'll get to see as the insiders what's going on. So right, Property Entrepreneur Advanced, our tagline is execution is everything and hopefully today we've demonstrated that we're not messing around, we're not, it's not fluff, it's action that gets you results and so based on that we've got another exciting announcement for the new year.

So I would like to officially unveil the brand new Property Entrepreneur Advanced official accreditation. Isn't it sexy? It is sexy.

This could be yours ladies and gents. It'll be an announcement to the industry, a seal of approval, proof that you've been around the track and you've done what it takes to be an advanced property entrepreneur. So it'll be your award, your accreditation, it'll go in your email signatures, it'll go on your business card, some of you will get it tattooed on your ankles.

It will be your seal of quality because that's what we stand for on Property Entrepreneur but we're not giving it away for free, okay. You're not going to just get one of these, you've got to earn it. So this is what you need to do to earn your accreditation for this year.

First of all you have to attend 10 of the 12 workshops plus or including the awards days. If you cannot make an award day, you'll be able to submit your presentation into the app, that will count. You actually delivering a presentation, not your slide deck.

It's like that will actually count and of course if there are extenuating circumstances then we will have a modicum of sanity, you know, if you've got a family bereavement etc. There will be an element of, but basically the point is it's 10 workshops, okay. Can we all do that?

Can we all do that? Good stuff, all right. Sunday Sanity, I wanted to do 100% but Dan took me down to 90.

So you have to hit a 90% post rate. That is, there is a margin of error in there, it should be 100% honest to God but we're going to give you 90% so that's a freebie on us, you're welcome. The Community App, we are a community, we are a family.

You've got two choices, you can either get involved and get up and give back and whether that means you're going to raise the minimum amount or whether that means you're going to go all in or help out, be on the committee, whatever it is, G-U-G-B or you have to contribute to the app with six different posts, not congratulations, that's not a post, a thread, adding some value, sharing your life like Tej and Martin did, you know, a nice photo of them getting together outside a property entrepreneur.

I want it, that definitely counts, that counts because it's about the experience, life is an experience and we all contribute to this community, we want the experience to be richer, deeper, emotionally engaging, we want to be the best community in the UK, not the biggest, that's what we're going for. So you choose on the community level and each year you have a choice to make, either you level up and you go up a level, as you can see this is level five, so some people in the room will already be there, or if you don't do this, it's level down, so you're going to go down a level, okay, so this will be your badge of honour, your seal of approval, do we like this? This is awesome, okay, so this is their, the level, sorry, is how many years around the track you've been with us, okay, so if you're a level seven property entrepreneur, like some people are, congratulations, and if you're a level one, welcome, again, congratulations, that's how it works, so you'll get to keep your level for as long as you keep executing, being in business is about staying in the game and it's about execution, so if you're not executing, why are you bothering, so probably time to hang your hat up and call it a day. Any questions, any other questions on the accreditation?

Microphone, sorry, this is going to be a good one, I thought someone would ask this, thanks Stefan.

[Speaker 23] (21:25 - 21:31)

Now a basic question there, is the level, does it start right now or does it count?

[Adam Goff] (21:32 - 21:58)

So if you, because it's the first year, the sort of founding member offer is, if you complete it this year, you will get the year that you have been on advance, okay, so if you've been on advance for three years and you complete this year, we'll give you straight to level three, if you don't do it this year, it's back down to the bottom, yeah, okay, Shanie, yeah, can we get a mic, can we get a mic for Shanie, told you, it's all change ladies and gents, it's all change.

[Speaker 10] (22:01 - 22:26)

Sunday sanity, yes, I'm going to come on to that in a second, so I'm in the red mark, but I have consistently been doing my top 10 with my buddy, up for the mastermind piece, so 90% I've probably already failed, so if I back that into screenshots of my buddy WhatsApp's.

[Adam Goff] (22:27 - 23:11)

Are we negotiating now? First of all, I want to say I am super proud of Shanie, because in case you didn't know, Shanie is literally the busiest human in the world, all right, she basically runs the IT thing of a bank, and she has done 100% Monday, Wednesday, Friday SCS with her buddy for the last month, so I think Shanie deserves a massive round of applause, 100%, she's nailing it, I'm going to talk about Sunday sanity at the end, but what I am going to say is we will wipe the slate clean for Sunday sanity, and it's from now, is that okay, is that fair, I know I'm going soft, aren't I, so that's it, the great questions, congrats, I'm so proud of you Shanie, congratulations,

[Speaker 12] (23:11 - 23:36)

one more from Rachel, you've got the mic Rachel, so I missed last year, but before that I'd done it four years round the track, or five years round the track, what's going on, and it was, can I get some sympathy, it was for a major operation, which would have meant I couldn't walk for three months, and it was really hard, all right, all right, all right, enough,

[Adam Goff] (23:37 - 24:20)

enough, no, I think we can give you your, do we think we should give Rachel the, yeah, yeah, no, it was mixed, mixed bag, they say as a public speaker you should never ask a question, you don't know what the answer is going to be, I think I just broke that rule, um, no, for me that's, obviously there's, there's different, there's different circumstances, you, thank you, she's so smart, no, that's fine, that's fine, that's fine, you've taken a sabbatical, that's okay, these things happen, that happens lots of times, people have to take a year out, you know, whatever, they commit to come back next year, that's, you know, we can, we can work out those details, but for me, Rachel, you know, you're going to be a level five, right, is that level five, if you get this year done, so that's, that's cool, so yeah, so, so good for you, well done, um, yeah, great, any more questions?

[Bianca O’Connell] (24:24 - 24:32)

Oh yeah, absolutely, absolutely, leave that with me, oh yeah,

[Adam Goff] (24:32 - 27:05)

yeah, leave that with me, huh, the black knives and fork, oh yeah, I'll have some fun with that, leave it with me, good, good, good suggestion, okay, good stuff, all right, so, um, over to you, ladies and gents, over to you, over to you, right, we are gonna now do a little run through of the app, because obviously we've launched this new community app, the goal of the app was to get you off the distraction of Facebook, of Instagram, this is not about reels, I shared with the mastermind that I got sucked into like an hour and a half of reel scrolling the other day, but like literally my first time, I was, I had a really good time, it was really fun, I was laughing, I was crying, I was literally loving it, and I realised it was a long time, I could have watched a movie, um, so the point is, we're trying to get you away from that noise, as busy entrepreneurs, we shouldn't really be consuming on Facebook, we should be creating content and giving it to IEAs to post, we don't really need to be going on Facebook, do we agree?

So we don't really want to be dragging you onto Facebook, so that's what we've created and put all the effort into this app, but this, this app is not cat sick in ice cream, this app should be high value, it's your, your family, your teammates, your friends, they need support, they need help, you need to share your journey with them, that's the whole point of this app, this is like your family WhatsApp, if it dings, you're gonna look, and that's where we're going with the app, that's what we want to create, but you know, obviously it's new, we need to get you guys up to speed with it, so I'm gonna do a little run through now of, of the app, just really quick, so everyone knows where to go, I mentioned it earlier, that we're gonna put some really high quality content on there, I recorded a 10 minute video of how I get 10 to 15,000 air miles a month, spending no money basically, just recycling a credit limit on a credit card, so that's like definitely a couple of business class flights to anywhere you want in the world every single year, so there's that kind of value already in there, I don't know if everybody's even seen that, okay, Valerie's fantastic, yeah, lunch with Adam Lawrence, you know, that was in the app, people within an hour took the seats, congratulations, so it's like we're going to be putting high quality, this is not noise and fluff, this is high quality, you want to hear this stuff, this is what you're paying for basically, so that's in there, that's honestly, I took, I've booked seats for my family to Dubai, I'm getting so excited, I'm so excited about this, I booked seats for my family to Dubai, six return flights, cost me 500 quid in taxes and like air miles, it's like, it's ridiculous, right, so it's like, anyway, get on it, so right, let's go through a really little demonstration now, can we

[Bianca O’Connell] (27:05 - 27:18)

cut to the, can we cut to the Mac, please, yeah, ah, one step ahead of you, Richie,

[Adam Goff] (27:20 - 28:36)

one step ahead of you, ah, anyway, so little run through of the app, obviously, this is our little announcement, now I'm going to give you, the first thing I want to do is talk about the introductions page, because this is our member catalogue, so this is everybody that is adding information about what they've got, now people have asked us for years, I want to know who, I don't know who's on my programme, I don't know who's on my programme, the member directory is literally a list of the who's who in Property Entrepreneur, so this is your little black book, credible people, all doing their own thing in different parts of the country, all smashing it, you know, you've got legal professionals, you've got design, you know, design agencies, you've got senior ops managers across the world, you've got legendary kitchen suppliers, you know, you've got interior designers, you've got mechanics, I mean, look, it goes on and on and on, right, this is our team, all right, and this is there, so some of you haven't even got a photo, okay, so you need to get a photo, you need to introduce yourself, people need to know who you are, so I'm going to ask Dex to put some music on now, if you haven't introduced yourself,

[Speaker 4] (28:37 - 28:50)

now's the time, let's go, get some music on, get an introduction, okay,

[Adam Goff] (28:52 - 29:22)

no talking please, no talking, if you haven't introduced yourself, now is the time, and if you have introduced yourself but you haven't got a photo, now's the time, if you haven't got a photo, now's also the time, a lot of people have, Craig, time for a photo, let's get an introduction, keep it punchy, where you're based,

[Speaker 4] (29:22 - 30:21)

what your business is, what you're looking for, if you haven't got a photo, you just take a selfie

[Adam Goff] (30:21 - 30:51)

yourself now, quickly, just keep the noise down, you don't have to talk about it, when you've done it, put your phone down please, where's Eduardo, has Eduardo done his yet, oh yeah,

[Speaker 7] (30:52 - 31:07)

you've got a photo now, have you, yeah, nice, all right, welcome Sarah, right ladies and gentlemen,

[Adam Goff] (31:07 - 31:49)

Sarah's the only one who said welcome, come on, chop chop, oh you're in twice Eduardo, that's why, look at this sexy operator, yes, if you've done it already, you're good, now if you've done it already, as long as you've got a photo, you're good, you can just chill, okay, good, so great, Josh has done one, about time Josh, thanks for joining us,

[Speaker 7] (31:50 - 32:03)

it's all good, huh, oh yeah, Josh, you need to get a image profile, steals can't be rushed,

[Adam Goff] (32:14 - 35:54)

okay, so just finish that up, get that posted, keep it nice and brief, just so everyone can see what you're up to, what you're doing, and then put your phones down please, now's the time to put the phone down, okay, so let's just run through some more housekeeping, all right, just please, if I could have your attention, we'll just run through this and then we'll go on to the next session, so what's important on here is obviously Sunday Sanity, let's just talk about Sunday Sanity, this is what you do, you go on, you go to the Sunday Sanity on the left, you click on Sunday Sanity, okay, so what you do is you click here, thank you Bianca, and you comment, this is my top 10, yeah, one, yeah, send Josh a love note, sorry, all in good time, all in good time, okay, so I post my Sunday Sanity on there, that's what you do, what you don't do, Chris, you're gonna hate me, is just make a new thread in the Sunday Sanity group, okay, because otherwise we'd have 86 of those, so sorry Eduardo and Chris, yeah, like 10 out of 10 for effort, the execution is everything, so that's that, what else is there, okay, so we've got areas for book club, so we can debate, discuss the book, share notes, I think that would be really valuable if you took notes to share them in there, you've got your homework in here, so you don't, you know, you don't have to have your workbook on you to check out your homework, I know it's all new, isn't it, so this is great, okay, the 28-day challenge, which we don't have this month, but we will have, you've got all your midweek mentoring recordings in here, look at that, mid-month and midweek mentors in here, so you can listen to me whenever you want, when you're out walking, nice and easy, nice and simple, all the resources from today's workshop, thank you Bianca for already posting them, you know, the vault email, I'm sorry, the, you know, the agenda that we talked about, and the different categories for your life, well, it's all here, it's literally like a directory, it's super high value, you can download the apps here, what else am I missing, am I missing anything Bianca? Thank you, absolutely right, yeah, so if you're wondering what the dates are, you can let us know you're coming, you've got all the dates here for EA to put in your diary, if they haven't done it off our Property Entrepreneur website, so you've got that, they can cross-reference, and probably the main thing I wanted to say was, when it comes to, so this is where the value is, it's the forum, so look, so already John's posted, thank you John for this, this is great, so John's already posted the Adams Proponomics, is that how you pronounce it? Okay, I didn't go to Oxford, I was dyslexic, they didn't let me in, but you know, this is basically our thread, this is where we're going to share value with each other, and you know, it's nice of Roberto to put that, that is what I was talking about, about Tejan thingy, but it's like, sorry Martin, what's wrong with me, I'm not getting too excited, I'm having too much of a good time, apologies Martin, fellow masterminder, okay, but you know, I think the idea about this is, is that if we wanted to know about title splits, we can create a long thread on title splits, and we can have like information in there for a long time that's high value, and people can go back, and we can get into the detail, the posts in Facebook get a bit lost, don't they, you know, like once they've gone past a few weeks, you lose them, and this is, this is like, we're going to have some really good threads on here, this is what I'm most excited about, so I think that's probably the main thing on there, there's my video for everyone that wants to learn.

[Daniel Hill] (36:01 - 37:48)

So Martin, Martin's there, yeah, just while Adam's doing that, just a top tip for all of you, so the conversation I get a lot at private dining over lunch is, I've got a deal, and I need to find some investors, or I've got cash, where can I find deals, and I say, have you actually started networking the room, and speaking to people, and they're like, oh no, I haven't actually done that, so everything, the whole thing about a proper entrepreneur community is, everything you need is in the room, and everything you need is in, in this community, and in the app.

Also, when we're talking about KPIs, and people like, you know, I'm looking for more client, we're looking for more investors who want to do freehold to leasehold tile split, if you've got a thing you want to own, a topic, so mine is bounce back boom, you know, I'm probably in the room, in this community, and the go-to person for the bounce back boom, so I immediately started a thread, called bounce back boom, whenever I read something now, you'll see it, I post it in there, updates, here's things for you to know, and just by default, I'm starting to, I own that space, you guys have all got something, that you bring to the party, before somebody else starts a thread called UK service accommodation market, and then they now own that space, and they're doing the posts, get in there first, and be the mortgage broker, the service accommodation person, the flip person, the deal sourcer, start your own thread, and then get the content going in there, to keep people engaged, share with the community, network, do deals together, you don't need to go and spend 20 grand doing a marketing campaign, all you need to do is do a post a week, on what you're doing, to help the community, and I guarantee you'll make money, you'll do deals, and you'll raise your profile.

[Adam Goff] (37:49 - 39:08)

Couldn't agree more, very well said, thank you Dan, there's a good example of Dan's post, I can bookmark it, obviously I'm talking about Martin, because I'm in his bad books, but you know, Martin has obviously got his refurbishment mastery business, he's the go-to guy, if you want to do a refill, you want to know about refills, you're doing it for the first time, you're doing it for clients, Martin's the chap, but it actually took me two years, to really know what Martin actually did, so this is it, we don't know enough about each other, we're sat next to each other, but we only really on supper clubs, and masterminds, and detailed lunches, do we actually find out what each other do, and it's really echoing Dan's sentiment, so any questions? Okay, no, we'll go back to the slide deck, please deck, so good, so thank you for doing that, this is our next level up, this is the next step in our journey, this is super high value, the final thing I'm going to say is, this is something you want to have notifications on for, it doesn't have to ding in the middle of property entrepreneur, but you need to get yourself using this, and this isn't going to be noisy, this is going to be high value quality content, this is like already filtered, so I would suggest that you put some kind of notification on for this app, that keeps you using it, and keeps you engaged, because we're all busy enough, some of us will forget to use it, and we're going to miss out, so question from Sarah?

[Speaker 9] (39:15 - 39:43)

It's a technical question regarding the notifications, because you get a notification if someone else comments on a post that you've commented on, but it's the same with the Sunday Sanity, which means if you post your Sunday Sanity, you get ping, ping, ping, ping, ping of other people posting theirs, and that is quite annoying, unless you're the last person to post, you don't want to be the last person, because then you miss it, so I want to have it on, but I don't know how to turn that off, and it's a bit frustrating, okay, thanks.

[Adam Goff] (39:43 - 44:08)

We'll look into that, we'll try and maybe figure out a different way of doing it, that's actually, that's really good feedback, thank you Sarah, good, okay, so add it on your action list, set a diary note, get your notifications on, make sure you use this app, you're going to get out what you put in, okay, so what we're going to move on to now is the winter hit list, so we want to get ahead of the game, and we can't fix the roof when it's raining, but we can see where the leaks are, and so we need to step up the game and start our winter hit list groups, so the image that you need for winter hit list should, actually is it in the app already, will be in the app very soon, no, it will be very soon, who's already got their winter hit list open? Amazing, okay, amazing, if you haven't, now is the time to open it, we need to have a winter hit list WhatsApp group, so you can start adding things to it, so that when it comes to next workshop in January, you're not scratching around trying to build your list, you've already got an ongoing list that you've built, so that's going to be provided for you in the app, please stick it on your action list to actually get that done, okay, get that done, right, third and final KPI for the day, third and final KPI for the day, wealth, so we've done life by design, okay, we're there with health, once we've done our Bluecrest metabolic age, now as Dan introduced earlier, wealth is all about figuring out how much of your passive income, your financial fortress income, is covering your lifestyle costs, this is how we calm down, we get clarity, and we know actually we're heading in the right direction, and ultimately this session is all about knowing your number, we've got to know our number, we've got to have financial clarity, and every year we revisit this to make sure that we account for things that have changed, and that we just redo our sums basically, before we go into another year of changing things, and increasing overheads, and we're getting to the end of our budgets, and things like that, we need to actually just re-look at this, so if you've already done it, you need to refresh it, bless you, and if you haven't, then you need to have clarity on this, so financial fortress, right, safe secure assets, producing secure income, equals financial independence, that's where we're all headed to, financial independence, this is what's going to allow you to do the things in your life that you really want to do, for me obviously, once I'd achieved my financial fortress, I was able to sell the business, because I was like, I don't need the noisy company anymore, because I've got my living costs covered by my financial fortress, so it allowed me to unlock a load more equity, because I didn't need the business to generate me wealth anymore, because I had enough wealth to survive, having the financial fortress, and knowing that I could cover my bills, meant that I could pursue a different career path, right, speaking, business mentoring, so it allowed me the freedom to change career, knowing that I didn't have the stress and anxiety of paying the bills, obviously then it also allowed me to do my bucket list, to tick off 31 out of 32 things that I wanted to do last year, to do things with the people I love, to take time out, to learn things about life that weren't just business and money focused, it gave me all of those things that I wanted to achieve, but it took me seven or eight years to actually get to that point, so that's what we want for all of you, because whatever it is that you want, you can have it, knowing that the bills are paid, and that's a really unique and powerful thing to have for each and every one of us. So who here wants that kind of clarity on their wealth, just a show of hands?

Fantastic, well how about you hear from someone who has done this, and completed it literally last month, so while he's been on Property Entrepreneur, he's come from an absolute, from nothing, from a standing start, he's been through all the levels, and he has recently completed his financial fortress, it's a hell of an achievement, he did it totally using the blueprint, so without further ado, let's give a massive Property Entrepreneur welcome to the host of the board, a trainer on Property Entrepreneur program, and the ultimate FD, recent financial fortress completee, Mr Josh Keegan, let's give him a big hand.

[Josh Keegan] (44:24 - 50:32)

Cool, nice to see you all, good day so far? Enjoying ourselves? Adam's had some crackers today hasn't he?

Offending probably all of the room so far, I've been offended three times, it's quite hard to offend me, but we'll move on, so know your number, so this is the third and final session of today, you've already done your health number, we've already done our life by design, and now this is all about wealth, the third and final KPI in the blueprints we're going to share with you, how you're basically going to track this for the entire year. Adam shared with you, I literally have just completed this, so I'm going to be sharing with you with the financial fortress blueprint today, but it's been about eight years of work to finally get to this point, but it's crazy, it literally like completed last month, and it's like, don't keep asking me how it feels, it's really hard to explain, but it's like, it is a feeling, it's this feeling of like now work becomes fun, before it was like it had to happen, you had to get this income, these things had to happen, and now it's like it can happen, and it's gonna be a lot of fun doing it, but you know you've got that safety net, and you know you've got the security, and if you just sit and you don't touch that financial fortress for 10, 15, 20 years, the power of compound is just insane, so we want to get this in as quick and as fast as possible, you're all busy, you've all got loads and loads of stuff going on, make sure that as a result of that, you're increasing your wealth, and over time your wealth is actually going up, and you're actually going to have something to show for it, if the businesses went bad, if you got sick and you couldn't work, and that's what this is all about, this is about total financial independence, so this is the number, and this is what we're going to be working towards, and this number, is everyone clear on what this actually is, what it means, yeah, a few of us, okay about four, four or five of you, good, yeah, most of you are lying, so basically what this means, is this is the cover of your income from your financial fortress assets, what number do we want this, where do we want this to be ideally, 100% exactly, sorry Tony, over 100, Tony's ambitious, yeah exactly, but the first point of call is getting to 100%, so we want to be in a place where your financial fortress assets, the income from your financial fortress assets, equal or exceed your living expenses, your lifestyle costs, because that's retirement, that's how you're going to actually stop working, and throw in the towel, not do anything more, if you don't want to, financial fortress asset, what is a financial fortress asset? Boring, yeah, boring asset, yeah absolutely, is it a professional HMO? No, it could be a leased professional HMO, a single let, commercial property, it's anything that fits at the top of that triangle, on that wealth hierarchy, so boring stuff, things aren't engaging, aren't exciting, aren't particularly high return, but they're going to be there, they're going to be there for the next 10, 15, 20, 30 years, and when you're old and frail, there's not going to be tenants drinking each other's milk, that you're going to have to deal with, it's like that kind of level, it's the highest level that we could possibly, possibly get to, there's two ways to actually increase this number, first way is increase your financial fortress portfolio, and increase the income that you're going to get from your financial fortress, what's the second way? Yeah, smashing it, so you absolutely reduce your outgoings, so there's two ways we can do this, we can either increase our financial forces income, or we can increase our outgoing, and in most cases it'll probably be a bit of both, and if we get a bit of both, that's how we get here a lot quicker, rather than what we see some people want to do, is they want to go, go the distance, they want to spend a hundred grand a month, and all this kind of stuff, and it's like you can do that, but it's going to be quite difficult for you to get there, you're creating a rod for your own back, so know your number, and we're going to go through and make it so you know, by next month you're going to know exactly what this number is, and we're going to do a lot of that work in the session now, and Dec can we sort the timer out for me please, so by the end of this session, you're going to know exactly where we are, where you are now, sorry you don't know exactly, you're going to do the majority of the work today, where you are now, you're going to have a good idea, but then you're going to formalize it, and be in a good place to have this done by the next month, there's three parts to this, so the first part, personal cash flow management, personal cash flow management, we've heard of this before, it's how much is your lifestyle, how much does it actually cost for you to live, okay we're going to go through this in a moment, the next part is done then fun, know your number, what actually is your number, how much equity do you need, at what level of return to allow you to achieve your lifestyle costs, and the third part is your financial fortress, what actually makes up your financial fortress, what are the assets within there which actually provide you this income, now don't worry we're going to go through each and every one of those a bit more slow, and that was just a bit of a summary, so you can get a feel of what this looks like in practice, this is your financial fortress, and you, we're going to be working on this, so this is basically, we only ever taught this on the board before, so this is a board level blueprint, board level asset, for the first time we're teaching this to advance, and in shortly I'm going to invite you guys just to actually open this up, this is a spreadsheet, which I know for some of you is not ideal, but it is a spreadsheet, it's the only way we can do this and apologies, but we're going to open this up, and I'm going to take you through it very slowly and steadily, and it is a very very simple spreadsheet, I'm going to say you can't break it, but I've seen what some of you can do to spreadsheets, but it's very hard to break, I mean it's very very difficult to break, but I'm sure some of you will manage it, but I'm going to be here to make sure that we go through this slowly and steadily, and there's basically three tabs that we're going to be doing, we're going to be doing, the third will be your homework, but the third one should be a pretty straightforward one for you to be able to do, because it's all your personal different elements, so tab number one is going to be know your number, what equity do you need, and at what percentage return, so how much equity, equity being your net asset value, being your assets minus your liability, so your assets minus your debt, the number in the middle, and what level of return that's actually going to generate you, six, ten, twelve, whatever percentage, we're going to work that out. The spreadsheet, go on, go on Umesh.

[Speaker 13] (50:32 - 50:42)

What's the difference between the 2024 spreadsheet asking us to do now, and the one that Dan went through in the financial fortress six-week, nine-week training?

[Josh Keegan] (50:42 - 56:02)

So they're living off the steam blueprint, yeah, which you did, the financial fortress training, yeah, it's exactly the same, okay, but if you've already done it, because you pay for Dan's training, it's private, private mentoring, go through and use this time to update it, because it changes every year, doesn't it, and every year, well basically, Dan does his every year, I do mine every year, and then every month I check into this, okay, cool, okay, perfect, apologies, yeah, so the first three tabs, and the rest is done in the blueprint, so the first can be know your number, the second is going to be then PCM, so personal cash flow management, so we're actually going to work out what your lifestyle expenditure actually looks like, holidays, whatever it is you're going to spend your money on, and then the third element to this is the portfolio, so the actual portfolio that makes up your financial fortress assets, that's what we're going to be looking at today, so we start PCM, and I'm going to get, Dec, if you don't mind just switching, switching the screens, and we're going to go on to here, so I'm going to invite you guys to open this in a moment, you should have all been sent it, and there's also a QR code in the workbook, but just hold five for now, and let me just take you through this sheet, and then we'll open it, and then we'll get started with the first one, so personal cash flow management, so you think what we're trying to do here, we're trying to basically work out what does that income look like at the moment, and what's our expenditure, how much do we actually need every single month to survive, to pay for holidays, to actually live, you know, live our life, and that's what we're trying to work out, because what we're trying to do is make sure our financial fortress covers that expenditure, it's quite simple in practice isn't it, but people can massively over complicate this, so you're going to use this spreadsheet to actually work it through, so at the top you've got your income, should be quite self-explanatory, but income in this case would just be any post-tax income, so income you can actually take out of your company, so if you have a company that's doing, I don't know, 100k revenue this year, that's not your income, your income is saying what of that money you actually take out into your personal name, or what would you like to take out, so that's going to be at the top, then we're going to have our outgoings, so your actual outgoings, and these would be anything that aren't, these are basically direct debits and standing orders, you all right Chelsea, do you need help?

Okay cool, as I said in a moment we will, I'll invite everyone to get the talk now, a lot of people you're logging on to already, I can see at the top here, just, are you the anonymous llama? The chinchilla? I don't know, I don't know who the anonymous lemur is, so then we're going to go into direct debits and standing orders, so what are the things that go out every single month for each and every one of you, so it could be a car lease, it could be fuel, it could be insurance, the non-lifestyle things that go out each and every month, then we're going to go on to outgoings, and these would be your household outgoings, so things like your mortgage, gas and electric, it should be quite self-explanatory what those things are to actually live, and then we've got your monthly living expenditures, so your lifestyle stuff, so it could be gym, health, I have a kombucha subscription, yeah it's good stuff, I haven't had lunch, so like things that go on there, all this microbiome apparently, I highly recommend it, someone's saying it's awful over here, no, it's different flavours, so yeah I have one of those every lunch, Adam might have like 500 quid a month from Brew Cream or whatever he does for his hair, and then you might have savings and ISA, so this is any post-tax stuff, so this is not, if you're putting money into a pension, that might be post-tax money, it'd probably come from your company, this would be post-tax things, it could be an ISA, so anything you put money into where you've already taken the money out and you're putting into something, so post-tax stuff in there, and what that's going to do is it's going to get to us to have a little summary down here, and this is basically like the P&L of our life, so we're going to do this together, we're going to have about 10 minutes to actually do this, so I'm going to, and obviously what I'd say for now is do your best, but if there's things that you need to go and check on in the month, that's cool, but we're going to get the bulk of the work done now, get it open, get yourself familiarised, and then you can go and do a bit more in the month, so I'm going to invite you guys to get this open, it should have been emailed to you, it should have been whatsapped to you, and there's also a QR code in your workbook which you can scan, which, Norman, do you mind just showing that? So there's a QR code here on page 24 that you can actually scan as well, so you can get this open. This is actual, so for now this is actual, so we're trying to find out where we are right now.

Yeah, cool. Yeah, Akash. So Akash has asked for income, do you put portfolio income down, or do you put business income down, anything, any income that comes into your personal name is what you put down, anything you extract into your personal name.

Do you want to get a microphone if you've got a few more bits and pieces, get him, can I just, I'll steal that please. Oh he's got one, go on Akash. Yeah, can you put the microphone on please?

[Bianca O’Connell] (56:09 - 56:09)

Hello?

[Josh Keegan] (56:10 - 56:28)

Okay, so yeah, so if we're putting portfolio income down, then do we need to put portfolio cost down, or do I just put the net portfolio? So everybody, just before you all get started, so income, I knew this was going to be a question, so income is money you've taken out that's then yours, there's no cost associated with it, it's just your money you've got now to spend, you could do whatever you want with that, okay?

[Daniel Hill] (56:28 - 56:29)

Cheers.

[Josh Keegan] (56:29 - 56:49)

Cool, right, put some music on for a moment, if everyone can just keep as quiet as possible, but then put your hand up if you need help, that'd be much appreciated, you've got about 10 minutes to get this, to work through this and get this done. Please download it, don't use the master sheet. They can't use it, cool, so make sure you download it.

[Speaker 19] (56:52 - 56:56)

Yeah, make a copy.

[Josh Keegan] (57:04 - 57:11)

You need to make a copy of the sheet, okay, so you need to make a copy of the sheet on Google Drive. It won't let you download it.

[Adam Goff] (57:11 - 57:19)

Yeah, it does, it does, does download. Go to file, on the top, file, and then make a copy or download.

[Josh Keegan] (57:20 - 57:22)

Yeah, so file, make a copy or download.

[Adam Goff] (57:26 - 57:33)

That was a dream. Has anything changed?

[Josh Keegan] (1:00:34 - 1:00:47)

Everyone, you're just inputting into the grey cells and it will just kick them out on the rest of the sheet for you. It's going to have five minutes.

[Speaker 19] (1:02:38 - 1:02:59)

Let's not overly chat about this, you know. Okay, just two more minutes. Yes, Rachel.

[Josh Keegan] (1:03:36 - 1:06:03)

Ladies and gentlemen, just please try and keep the noise down, because it's quite a concentrated piece of work, but put your hand up if you need any help, okay? Okay, we're going to wind down now, ladies and gentlemen, for 30 seconds. Yeah, just check the totals are working at the bottom.

[Adam Goff] (1:06:05 - 1:06:12)

Yeah. Josh, what was this quickly? What's the money dashboard app that you use to get all your, like, to track monthly cash flow?

[Speaker 20] (1:06:12 - 1:06:13)

Money dashboard, that's cool.

[Adam Goff] (1:06:13 - 1:06:17)

Is it called money dashboard? Yeah, yeah. Apparently they've stopped.

[Josh Keegan] (1:06:20 - 1:10:41)

I've not seen that. I stopped using it a few months ago. I did it for about six months.

I was like, I'm cool, I'm not going to do it anymore. So, cool. Right, ladies and gents, back of the room, please.

Let's keep moving on. It's got a lot to get through. So, I appreciate there might be a bit of work you've got to go away and do, print off a bank statement, just check your income and expenditure, but hopefully you can kind of see the principle here.

And where we're trying to get to it, can we just get everyone back in the room? Where we're trying to get to is a point where we know what our annual expenditure is, our monthly and annual expenditure. So, we know what our lifestyle cost actually is.

That's the first step of this. That's PCM. The next step, and please don't get started working on this.

I know all of you have done all three tabs already. That's the way you all work. No matter how many times I tell you not to, but we are then going to move on to this.

And this is basically my number. So, this is what knowing your number. And as I said, what we're trying to do here is work out the equity number that we actually want to achieve, as well as the income.

So, we're doing PCM. We've now got an outgoing number. We've got this number here.

So, this second number down, which is what income you actually need. So, if you know you're going to spend £100,000 a year, and that's what your lifestyle costs, then you know you need to generate £100,000 from your financial fortress. Can you follow that logic?

Great. Then we've got to work out, well then how much equity are we actually going to have to build to generate that £100,000? And that's what we're trying to work out.

So, on this model at the moment, so for example, on this one at the moment, we've got £1.5 million. If we generate equity of £1.5 million, that will kick out £100,000 if that return is about 6.67%. I mean, for a financial fortress asset, sounds pretty good, doesn't it? Sounds quite realistic.

Some of you, however, might have, right, I'm going to try and generate it off a million pounds. And then that's coming out 10%. And like, you might be able to generate 10% from a financial fortress asset, but it's probably a bit racy.

I'd say like, that's probably in that category of abnormal returns. That would be like your professional HMOs and all those things that have slightly higher returns. It's probably not at that financial fortress asset kind of level.

So you might say, well, I'm going to need a bit more than a million pounds equity to achieve that £100,000 income. Or some of you might look there and go, well, I actually want it to be really risk-free. So I'm going to go for £3 million.

And then your return will be 3.33%. Now, that's very achievable. And you could, I'm sure most of us, you know, of our eyes could find assets that we generate as 3.5% are quite straightforward. And that'd be great.

And it'd be relatively low risk. But consideration there is you're going to need £3 million. So you need a lot, much bigger pot of money to achieve the same result.

So what we want to do is find that sweet spot, that area, we're happy that the return is at a level which is not too high. That's going to be, it's not, it's going to mean it's a higher risk asset, but not too low. Then it means going to have to work harder than we want to, but just in that middle.

So it's a real sweet spot between about 6% to 8%, which is just a real sweet spot, which is kind of relatively low risk, still a bit of a push, but it's all a comfortable level of return that we can actually achieve. And that's what we need to do next. We're going to put some music on in a moment.

And all you're going to do very simply is in this box here, you're going to type in your expenditure. So on PCM, down the bottom, you go to down here, it will tell you what your expenditure actually was going to be. So on this example here, it's £33,000.

So you would literally type in £33,000 into here. And then what you're going to then do is like play around with the level of equity you're actually going to need to achieve that. So £33,000, if you said something like, I don't know, £650, probably a bit less, you'd probably do that in half a minute.

So you can play around with it. And you get to a place where you go, right, well, if I want £33,000 a year, around a 6% to 8% level of return, put that number in, and we're going to get to the right level. So that's what we're going to do, put some music on for about seven minutes, give you guys the opportunity.

Step one, put what your expenditure is for the year into this box. And then step two, play around with the top number. So you get to an equity level of about between 6% to 8% that you think is going to be feasible for you to target.

Guillaume, yes, the box.

[Speaker 11] (1:10:44 - 1:10:59)

Financial fortress properties will mainly be held in some companies. So how do we get this 33 net? So do we need to sort of factor something for the tax and things?

We need to get the money out of the financial fortress as well. So how do we factor it?

[Josh Keegan] (1:11:00 - 1:11:01)

So what's your question?

[Speaker 11] (1:11:02 - 1:11:04)

The properties will be held in a company.

[Josh Keegan] (1:11:05 - 1:11:05)

Yeah.

[Speaker 11] (1:11:05 - 1:11:13)

So the income will be owned by the company. We shareholder of the company, we can draw some income from it, but we'll pay some, there'll be some corporation tax, there'll be some tax on here and there.

[Josh Keegan] (1:11:14 - 1:11:33)

Oh, just for now, just, we're going to do that kind of in the next bit of the portfolio. I'll just keep it quite simple for now. If you wanted to put a bit of a, if you wanted to factor in a corporation tax adjustment to your return, you potentially could do, like you could do that.

But I'd say, keep it simple. Let's look at your assets, look at what income you got generated to your financial fortress company, and then you can choose how much of that you actually generate in the most tax efficient way.

[Speaker 11] (1:11:34 - 1:11:34)

Okay.

[Josh Keegan] (1:11:34 - 1:11:34)

Yeah.

[Speaker 11] (1:11:35 - 1:11:37)

Yeah. So we probably want to pump it up a bit. Yeah.

[Josh Keegan] (1:11:37 - 1:11:39)

Okay, cool. Do you want to add something to that Dan?

[Daniel Hill] (1:11:43 - 1:12:11)

So Guillaume's point is spot on, is this number here, if you're calculating the figure on your personal cash flow net of tax, then this would be net of tax as well, wouldn't it? Because you want to be plus minus now. So if the PCM is after tax, then your figure here of 33K is after tax.

So it's both of the net figures.

[Josh Keegan] (1:12:12 - 1:12:18)

So the return will be the net figure after tax. Yeah. Yeah.

Cool. Perfect.

[Speaker 20] (1:12:18 - 1:12:24)

Okay, cool. Any questions before we dive into that? Yeah, I've got a couple more.

Guillaume, can you just pass the microphone?

[Speaker 18] (1:12:30 - 1:12:41)

Brilliant. So I'm in the fortunate position, I get a government pension already. So presumably, I need to then work out a figure above that in equity that I need to produce the additional income.

[Josh Keegan] (1:12:41 - 1:12:52)

Yeah. The additional income you need, because as long as that, if that pension counts as that financial fortress asset, which it does, then it would just be the incremental you need to make up that gap.

[Speaker 18] (1:12:53 - 1:12:53)

Because obviously, yeah.

[Josh Keegan] (1:12:54 - 1:13:02)

Yeah. Fine. Yeah.

Shall we, what I'm going to suggest we do, actually, we'll do two more questions, then as it comes to time, so we'll dive into it. And then we can, people can put their hands up.

[Speaker 16] (1:13:02 - 1:13:16)

You might have answered this earlier, but I don't take a lot of my income, I just leave it in the company and roll it over to the next things. Should I be trying to allow some of that into my figures here? Or is this just what I take?

Because I just take 50,000, that's it.

[Josh Keegan] (1:13:16 - 1:13:19)

If you don't take it, I'm assuming you don't need it.

[Speaker 16] (1:13:19 - 1:13:19)

Yeah.

[Josh Keegan] (1:13:19 - 1:13:33)

Yeah. So all we're trying to do is get to a place where you actually generate your financial fortress to a level of income that you actually need. So your financial fortress, if you're only taking 50,000, because you need 50,000, then we'll get your financial fortress to a place where it just kicks out 50,000.

[Speaker 15] (1:13:34 - 1:13:52)

Yeah. Go on Tim. If you've got mixed use properties, so I've got some which are like three HMOs and then four commercial units, the four commercial units would be financial fortress type income, but the HMOs aren't under that definition.

How should I split it out now?

[Josh Keegan] (1:13:52 - 1:14:23)

Well, yeah, they're all different assets aren't they? So in a moment we're going to look at your portfolio and you've categorized some of them as being financial fortress, the commercial ones, the HMOs you wouldn't classify that. It's a freehold though.

It's a freehold, one freehold title. Yeah. You could probably just allocate- Allocate a percentage of what the commercial would be.

Probably, yeah. The commercial would be financial fortress, the HMOs wouldn't be. And then one of the things you can do is if you think about how I complete my financial fortress, I flip the HMOs to long-term leases.

Yeah, that's the plan in the future. Perfect.

[Speaker 15] (1:14:23 - 1:14:31)

But then at the moment, it's hard to work out what the percentage would be basically. Yeah. Yeah.

If I'd put on leases, yeah.

[Josh Keegan] (1:14:35 - 1:14:41)

Cool. Okay. Right, we're going to dive into it.

We've got five minutes and I'm going to put some music on and we'll come around and just speak. Yeah, go on. Sorry, Josh.

[Speaker 17] (1:14:41 - 1:14:55)

Over the last few years, I've been significantly reducing my outgoings. Yeah. I don't intend my outgoings to be this low for the next 10 years.

I'll certainly intend them to be creasing up. So am I looking at this with a view to the future or right now?

[Josh Keegan] (1:14:56 - 1:15:14)

Let's do it for now. And then obviously you can play around with it for the future as well. But let's get it in there now.

Let's see where we are at this point and then we can change and move the target to aspiration. Keep it simple for now. Okay.

Let's get to dive into it. Five minutes, music on please. And then I'll come around and help anybody.

Just raise your hand and I'll come and give you some support. Go on, Steve.

[Speaker 19] (1:15:15 - 1:22:33)

I was trying to work out mine. Yeah, I did. Yeah.

Yeah.

[Speaker 20] (1:23:06 - 1:23:06)

Cool.

[Josh Keegan] (1:23:07 - 1:23:55)

All right, ladies and gents. Okay. Thank you.

First few parts done. PCM. We've used them PCM to know what we're going to spend.

And now we know our numbers. So we have a feel for how much equity we need to build at what level of return to get our financial fortress complete. And everybody's going to be totally, totally different.

I've got some amazing questions in the room. For example, if I know my costs are going to change in the future, what do I put in? Well, I would put them in for now where they are actually now.

But if you know they're going to change in the next couple of months, then you put them in higher. If you think it's going to last five or six years, just keep it simple. Go where you're at now.

You can always revisit this every single year. And if you have any more questions, just put it into the community app. Put it in there and we'll help and we'll build that out for you.

[Speaker 20] (1:23:57 - 1:24:03)

Final sheet is this one. So this, we're not going to do this in the room. It's going to be how you work.

[Josh Keegan] (1:24:05 - 1:25:20)

There we go. I don't know how to work a Mac, but I think I've done it. So this is your portfolio.

So what this is then is a list of all of your assets. It's all of the properties that actually make up your financial fortress. Now, what you're going to do is you're going to take some time and you're going to actually put all of your assets into this.

Financial fortress or non-financial fortress, all into this. Now, some of these will take a bit of time. Some of you, if you've got bookkeepers, you've got finance managers, this is a two-minute job.

Just tell them, go into my balance sheet, take all the mortgage values, take all the asset values and put it onto this. And it's a very, very quick job and thing to do. So hopefully some of you can outsource this and get this done quite quickly.

What we're doing here, getting all of the assets listed. And then we want to basically just select the ones that are your financial fortress. So which of these are actually in that financial fortress category.

And then this is going to tell us what income we've already got from our financial fortress. Someone clear on that? Yeah.

So this is your homework. It's to basically create a list of your portfolio assets. And that's going to tell you where you are at now.

We're going to move on. I'm going to finish up in the next few minutes. So any questions before I do that?

Go on Valerie. We'll do three questions and then we'll move on. Can I get the mic for Valerie please?

It's over here. I won't throw it.

[Speaker 14] (1:25:22 - 1:25:26)

What happens if none of yours are financial fortress?

[Josh Keegan] (1:25:26 - 1:25:30)

Well, unfortunately, that means you'll be 0%.

[Speaker 24] (1:25:30 - 1:25:30)

Yeah.

[Josh Keegan] (1:25:31 - 1:25:50)

But I think like the key sentiment is like I was at 0% about two years ago. And I'm now 100% because I've used the assets and I've flipped them into that territory. So it's not like you need to go out and buy the portfolio again, you're not failing.

I think it's just starting to think about, can I flip this? Can I change this? And can I progress this?

Can I progress what I've already got? What am I already sitting on?

[Speaker 14] (1:25:51 - 1:26:00)

Yeah. Mine are high level HMOs. So they're unlikely to be leased at the same level as yours were for where they are, you know, back to back leasing.

So that's not likely.

[Josh Keegan] (1:26:00 - 1:26:01)

You might be pleasantly surprised.

[Speaker 14] (1:26:01 - 1:26:01)

Really?

[Josh Keegan] (1:26:01 - 1:26:05)

Yeah. The demand is absolutely nuts. We're looking at the high HMOs.

[Speaker 14] (1:26:06 - 1:26:16)

High value. So 700 grand up properties in areas that would not necessarily be good for the type of tenant that might be on a back to back lease.

[Josh Keegan] (1:26:16 - 1:26:46)

Or ex-offenders. Or whatever it is you have. By the way, mine aren't ex-offenders.

I've clarified that. They're a level up from ex-offenders. That's what Chris said.

He said they're a level up from ex-offenders. He clarified it. Current offenders.

So yeah. You might be surprised. Have a think.

But you might be surprised. Some of mine I've just rented out on a rent to rent basis to a letting agent. Five years.

So that, fine. Perfect. It's all those kind of options.

Yeah. Thank you. Go on, Chelsea.

[Speaker 8] (1:26:46 - 1:27:20)

I was just going to add to what Valerie said. In terms of like the back to back leasing and stuff, there are so many different providers who all want different things. It's not just really bottom end of the market.

Some of them are people that just need care to come in. Or people that need mental health support. It's important not to put it all in the same category.

Some of them do want really nice areas and stuff like that. You'll be surprised at what you could get with the back to back leasing. It's not always just social housing.

It's more support and stuff like that. So yeah. Definitely think about it.

[Daniel Hill] (1:27:20 - 1:27:59)

Thank you very much. Just to back up what Chelsea was saying. We had a conversation in the boardroom last night.

If you remember, there was one example where there was a HMO with three bedrooms. I'm on a lease for a specialist care. They're getting £10,000 a week.

So it's like that doesn't matter where it is. It's specialist care. So there's going to be operators for that.

And then also, just a clarification point. The term back to back leasing is more so when you lease a building off somebody and then lease it on somebody else. What Josh has actually done is just done a lease, like a straight lease to me.

You can also obviously buy different stock. You start building stock that's not the current stock, but is on a five year lease or commercial, something like that.

[Josh Keegan] (1:27:59 - 1:28:07)

Dan, would you count a back to back lease as a Financial Fortress asset if you didn't own it? No. Cool.

There's no asset value.

[Daniel Hill] (1:28:08 - 1:28:08)

It's just cash flow.

[Josh Keegan] (1:28:08 - 1:30:17)

It's level one, isn't it? Yeah, I agree. Very good.

Any more questions before we wrap up? Cool. So the homework for this month is just to finish all of this off, cross the T's, dot the I's, and get yourself to a place where you've got this all extremely and exceedingly clear.

Could we go back onto the slide deck, please? So wealth. This is what it's all about.

We're all going to be busy. We've all got loads of big, big plans. But just make sure whatever it is we're doing, we're actually progressing and creating something that's actually going to give us stability, financial independence, and freedom.

By next month, you need to know your wealth number. To be super clear, all we're going to do is going to divide our current level of Financial Fortress income by, sorry, we're going to divide our expenditure by our level of Financial Fortress income at the moment. And that's going to be how we're going to get our percentage figure of financial independence.

And then as Dan-Adam alluded to, this is going to be in your strategy presentations, and we're going to build then your property strategy for the rest of the year about increasing this number. Yeah, of course, Rachel. I'm sure we can pop it in the community as well.

So if you think about what is your financial independence cover, it's what percentage of your expenditure, your monthly outgoings, is covered by your Financial Fortress income. So if you spend £10,000 a month and you've got £10,000 a month in your Financial Fortress, you're at 100%. You can write it down, like the equation.

It's quite late in the day and I keep, I'm quite, I'm tired. Right. Ask a good accountant.

So what percentage of your expenses are covered by your Financial Fortress income? So expenses divided by Financial Fortress income equals a percentage. Anyone happy with that?

No, I'm not doing it again. I'm not doing it again. So as, go on, Casey, yeah.

Can we get the microphone for Casey, please? How do we? Oh, yeah, well, thank you.

It's all right.

[Speaker 5] (1:30:22 - 1:30:36)

So with this, you're really only looking at the property that you have, your property portfolio. What if you have like dividend income or, you know, something other than just the property portfolio, which would be included in this percentage?

[Josh Keegan] (1:30:36 - 1:31:02)

So we're looking at any equity that kicks out income, which is in that asset category. So this kind of counts as boring income. So given an income, like if it's like a big company, it's very, very predictable, you know, they're going to be around for the next 10, 15, 20 years, you might want to put it in there.

I'm not sure if I would personally want that. Maybe if it's in some sort of tracker and is it from like the stock market? What is it?

[Speaker 20] (1:31:02 - 1:31:02)

Yeah.

[Speaker 5] (1:31:16 - 1:31:51)

Okay. And I do have a question that may only, and I apologize, apply to us myself, is that we obviously have assets in other countries. Do you include that as well?

So if you're getting income, but I'm not necessarily bringing it here, would you still include it?

[Josh Keegan] (1:31:52 - 1:31:54)

Could you access that income if you wanted to?

[Speaker 5] (1:31:55 - 1:31:55)

Yes.

[Josh Keegan] (1:31:56 - 1:32:15)

Yeah. So I'd say like, I mean, I probably wouldn't include it in the tracker, but if it's going into a company and, you know, one day if I wanted to, you know, things went wrong and this is what it's all about. We've got to come back to it.

If things went wrong, I had to stop working, whatever happened, I could access that income. Then you may not want to include them in the tracker, but it's just nice to know you've got it in your back pocket if you need it.

[Speaker 24] (1:32:15 - 1:32:16)

Okay. Thank you.

[Josh Keegan] (1:32:16 - 1:32:26)

Cool. And then final question from Chris. What are you going to ask about your international investment as well?

All right. Final one from you then we will finish.

[Speaker 13] (1:32:26 - 1:32:42)

If you've got an HMO portfolio that you own, and that is providing national, that is providing the income that you live on, but you've got a management agency that manages it all. Do you include that as a financial fortress or not?

[Josh Keegan] (1:32:42 - 1:34:12)

Unfortunately not, no. This needs to be, yeah, it needs to be in that asset category. It's still not in that asset category if you've got a management company in there.

There's still problems. It's still like, if the wheels fell off that market, you would still have to get involved no matter how good your agent is. You'd still be involved, you'd be managing your agent.

You know, think about your admin of 40 years here, you've just woken up, you've had your pipe and slippers, and you're like getting called for your agent about stuff that someone's done this AI breach in the house. It's like, you don't want to, you don't want to be involved in that do you? That's not a financial fortress asset.

You shouldn't hear about any of that stuff ever, if it's in that asset category. Right. For those of you that want to go the distance on this, we have a very, very special program for you.

You can't do anything now, I'm just informing you about it. So Dan's going to run his living off the steam blueprint from January of next year. So keep an eye out for that and how you can actually buy that and go the distance.

Dan's already kind of ruined part of the picture of this. So it's only, it's only for anybody that's come back, you know, that wealthy entrepreneur, 100k and above over with the income that's going to get value. So if you're not in that category, genuinely, you won't get the value from doing this.

It's high level asset and wealth management. Keep an eye out for that, like everyone that's been on that just speaks very, very highly of it. And it's really for those people that do want to go the distance for this and unlock the next nine or 10 parts of this actual blueprint.

Enjoy that ladies and gents. Good time. Ladies, gents, thank you very much.

It's been an absolute pleasure. Let's welcome Mr. Gough to the stage. Thank you.

[Adam Goff] (1:34:13 - 1:43:41)

Cool, cool, cool. Okay, good. So we've got some homework to do.

This financial fortress thing is going to be a game changer for us. Let's wrap up the day. So homework, let's turn to our homework.

All changed. As I showed you, we've made it even easier this year with page 31 in the back of the book, every single cave session you should be doing. And already starting to get you to think about your strategy day presentation, the checklist of the work that you're going to have to do in order to pull together your strategy day presentation.

So that's really important. There's a lot on here, isn't there, guys and gents? There's a lot on there, isn't there?

So we've got to get some serious prime time and cave times booked in. And then on the next page, obviously, you've got your headline strategy stuff. If you haven't done it in the room yet, like booking, have you actually booked the venue?

Have you actually sent out the agenda? The key thing with the headline strategy is this, and I think Dan said it, but I just want to make it really clear, is that when you go into your strategy day sessions, your strategy sessions, the brainstorming part, don't you go in there with a blank sheet of paper. You need to have gone in there with a lot of the heads work already done.

You need to have an idea of the direction of travel for your company because your job in these sessions is to listen to your team, but it's to guide the conversation because you are the entrepreneur. So although you want it to feel like their idea, it's also, it's not just their idea. You want to guide the conversation.

So don't turn up to those strategy sessions going, well, person who just joined three months ago, where do you think we should take the company? And then you go, I think we should open 10 new offices. And you go, well, I guess that's what we're doing because that's what Adam said.

He said team buy-in. No, that's not how it works. So you're going to suggest and allude and guide them and coach them like the puppeteer to probably the right answer, but you're also going to have two ears and one mouth because they might have insights, which you hadn't previously considered because you're not at the coalface anymore.

For X, Y, and Z reason, there's things you just haven't considered. So they have a lot of input to add, but you are the leader and you should be guiding. So that's really important.

What else can I say about the homework? So obviously yeah, this packages point, I think is where a lot of people need to do a lot of work. So it's like, what are we actually going to offer?

How are we going to make it market leading? The three numbers. So following up on the Financial Fortress, following up on booking your BlueCrest report and the Life by Design scorecard, giving yourself that ranking from the app, maybe going over it again.

So yeah, don't forget to engage in our app and set up your winter hit list group. I was going to get everyone to set up the winter hit list group in the room, but seeing as 95% of people had done it, I didn't want to just waste everybody's time doing it. So if you didn't put your hand up, you should really be doing that as soon as we ring the bell on today.

You want to get that winter hit list thing done, a WhatsApp group set up, people go, what the hell is this? And you go, I'll talk to you about it on Monday. And it's like, you just need to get that going.

So people who are most active in this app are going to get the best results. That's a fact. So I want everyone to commit to getting involved in the app.

I've made a big thing of that today. And ultimately, it's all what the community is all about. Talking about the content that's available for you in the app and in the vault is going to be from my session on Wednesday.

So we obviously haven't covered year of today, which is the personal chapter in your life, your personal strategy. If headline strategy is your business strategy, year of is your personal strategy. And this for me is where it all hangs off.

So if you want to listen to that session again, that's in there. You've got a handful of habits. Remember this?

A handful of habits. It's very important. It's the fundamentals.

It's your baseline. It's the things that are going to keep you on the straight and narrow, keep you looking, feeling and performing your best. So again, we're not going to cover that on advance, but it is available in the vault to listen to again.

And if you'd like to grab a handful of habits postcard so you can write yours out and stick it on your bathroom mirror as normal, Bianca's got a pile of them at the back for you. Okay. So they're there for you.

And then obviously headline strategy. Now Dan's done a whole session on it today. Well, 30 minutes, but there was a 60 minute session on it as well in on the programme.

So if you're still new to this, if you're not a hundred percent confident, if you want to go back in like you're nervous in front of your team about setting a headline strategy, not only have you got Michael's midweek mentoring, you've got my presentation on it as well to give you all the detail and extra comfort, which you can watch at the comfort of your own home. You can watch for that when you're out doing steps, et cetera. So you've got everything you need to put the ball to the back of the net.

You just need to kick the ball. Sunday's sanity. Shaney's already beaten me to the punch on this one, but these were the scores.

So, you know, like not bad, not bad. Okay. I'm trying to be nice.

It's like shit sandwich, like pretty good. Could do a lot better, you know? So like, obviously we've got 10 or so people here that I definitely will not be sending a Christmas card to.

You guys, you get, you're going to get a blank sheet. We're going to start again. The 90% percentage required to get the accreditation.

So congratulations to basically 85% of the group, which did this. Let's give everyone a round of applause for that. So it's pretty good.

Not bad. Considering we went over to the app, it was new. I'm just going to be nice.

But this really is like, like, like no jokes now. This is like, it's green or nothing. It's hell yes or hell no.

There's no like my dog at my homework. I just don't want to hear it. It's like, seriously, raise your standards.

So this is a commitment. Who's not going to do this? Okay, good.

Book Club. So Book Club, if you're thinking about a bit of a change in direction this year, if you're thinking about challenging conventional mindset, this book, The Art of Frugal Hedonism, is how to basically get more enjoyment out of life without spending as much money. So this actually is what Dan, when Dan, everyone knows the story or no?

Dan decided to go from living in, driving an IRA and living in a penthouse to buying a narrowboat for £45,000 and, you know, stitching his own curtains. And that's how he got his enjoyment for the year. And he literally lived on a narrowboat and lived that life of spending very little.

I can't remember what his budget was, but it was not a lot of money to live. So this is a really interesting insight about how you can really find enjoyment in the small things. So if you're thinking about a different change in direction, I'd really recommend this book.

It's a really nice balance to the money focus, commercial business world that we were all kind of in by default by being in the West. Another good podcast, which I think Dan launched last year, was episode 108, which is now we're going into a new year, we can set ourselves a new diary, a new default diary, a new schedule. So I've got to make space for these new things, right.

So like for me, for example, now, obviously, I'm making a big space for Mastermind. And it's going in every Wednesday. And it's like, this is a new, I'm in a new year, like it's a new thing, right.

So we want to have our space for our for our new things in our year. So get that on, lock that in if you haven't done it already. Midweek mentoring, I've already discussed it, but just as a headline.

So you've got Dan Norman next Wednesday, you've got myself on the 15th. So with mid month mentoring, as we did last month, this is a first come first serve slot. If you would like to reserve a place with me on mid month mentoring, there is a QR code in the back of your workbooks, you can do it now.

It's first come first serve, you will get a 20 we'll call it well, we'll say a 15 minute slot. It depends on how it takes, obviously. But I'd like to do three people per session with potentially space for another one.

So it's first come first serve, get in there, get a slot booked, and get the most value as you can out of the course. And then lastly, obviously, Michael's going to be running us through headline strategy for midweek mentoring. So get those locked in your diary.

I'm going to ask Dex to put some music on now. This has been the first workshop of the rest of your lives. It all changes from today.

It's a new look, Property Entrepreneur Advance. It's a smaller group. We've changed the way we've done things.

How was it for you? Do you like what you see? Do you not like what you see?

Can you give us any feedback on the ways we could improve? You've got an NPS score text on your device now. So I'm going to give you a few minutes to give us a score, give us some welcome feedback.

We take it all on the chin. We take it gratefully. We'd love to know what you think.

The score is good, but the comments are better.

[Speaker 19] (1:45:23 - 1:45:24)

You've done that, put your phones down.

[Adam Goff] (1:45:24 - 1:49:19)

Thank you very much. Okay, Guillaume's looking at cats licking ice cream, so it must be done. That's good.

Yes, so last thing, or second to last thing actually, is Buddy Up. So again, I'm going to get Dex to put some music on. This is your chance to level up your accountability.

It's your chance to share the journey with someone in the community. It's your chance to get to know them better. It's your chance to figure out what they do, how you might work together, how you might help each other.

It's a shoulder to cry on. It's someone to high five and celebrate. It's all those things.

It's someone to do your SCS with on a Monday, to post your Sunday sanity to them, to check in on a Wednesday, have a walk and talk, and to sign off on a Friday. Okay, why not take it to the next level with your buddy? So I'm going to get Dex to put some music on now.

So the person you're sitting near next to, Buddy Up. Off you go. Exchange phone number details.

So you've got each other's contact details. I've reserved you a slot. I've reserved you a slot.

Okay, ladies and gents, hopefully you've got your buddies details. So I know you're all desperate to have a chit-chat because I've been so militant today. You can have your...

We're going to go to networking now. Can we end, please, with a massive round of applause for today? Have you had a good time?

Yes. So thank you to Josh, Dan and Adam Lawrence. Thank you to all of you.

I'll see you next month, okay?

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Session 3\_Transcription

[Adam Goff] (11:09 - 13:29)

Okay, ladies and gents, that's your two and a half minute warning, two and a half minutes Okay, ladies and gents, that's your one minute warning, one minute if you could finish up those conversations please, make your way into the room, one minute till show time, time to take your seats ladies and gents, take your seats please.

[Speaker 22] (13:43 - 13:51)

Ladies and gentlemen, sit yourselves down, let's give a huge round of applause for head trainer, Mr. Adam Gough.

[Adam Goff] (14:02 - 15:35)

That's karma, that's karma. Get lunch, raise your standards and have fruit instead of dessert. Me, me, pick me.

So many people haven't done it, you might as well get it in now, make it a little worse, it's like whenever I do a health cut, whatever the first health cut, whenever I've done like a body transformation, I've always sort of overeaten in the week before and make sure I get a bit bloated so that my initial scale weight is heavier and I look way worse than I normally do and then it's all, it's all upside from there isn't it? Good, fantastic.

I have to say ladies and gents, I'm absolutely loving today, you loving today? Your commitment is fantastic, I'm absolutely like really, I'm speeding off it so our nurse is going to be an amazing year for us all. Talking about amazing years, those people that weren't on advance last year missed Dan's end of year presentation when he basically announced to the world that he was finally going to get his dream home and in true Dan Hill style, he bought the sofa before he even had the offer accepted but a little birdie told me he exchanged yesterday and he's moving into this manor next Friday, so let's give him a big round of applause. Yes, that is amazing, to think that you'll own all this.

[Bianca O’Connell] (15:44 - 15:56)

No Dan, honestly like I know we were chatting about it in the sauna yesterday and someone asked Dan if he was buying his first house right and I just thought oh dude you have no idea you

[Adam Goff] (15:56 - 16:15)

but like I think like honestly like I just want to say on behalf of everyone like no one deserves it more and we could all not be happier for you so congratulations on not holding back, living the life you want and just f\*\*k what everyone thinks, go for it.

Super yeah, super chuffed for you man.

[Speaker 21] (16:17 - 16:25)

Yeah yeah exactly I know yeah but that means I have to be his butler so it's kind of like business as usual basically yeah so that's all good.

[Adam Goff] (16:32 - 21:24)

He hasn't moved in yet, I'm sure there'll be a guided tour, I'm sure there'll be a PE retreat there, I know, obviously it's going to happen so yeah. Do you remember when you said you were going to buy a big house just so you could host Property Entrepreneurs? Do you remember when you were like we pay the bill for you so much but it just makes sense to buy a house and start doing it at my home?

It's like how things have changed eh? I think that'd be a terrible idea so you need your home needs to be your safe space so yeah yeah loads of pictures, tours to come no doubt, there'll be a whole Instagram branded reel section, it won't be Let's Roll, it'll be something else and it'll be presumably I imagine maybe who knows but I'm sure we'll get to see as the insiders what's going on. So right, Property Entrepreneur Advanced, our tagline is execution is everything and hopefully today we've demonstrated that we're not messing around, we're not, it's not fluff, it's action that gets you results and so based on that we've got another exciting announcement for the new year.

So I would like to officially unveil the brand new Property Entrepreneur Advanced official accreditation. Isn't it sexy? It is sexy.

This could be yours ladies and gents. It'll be an announcement to the industry, a seal of approval, proof that you've been around the track and you've done what it takes to be an advanced property entrepreneur. So it'll be your award, your accreditation, it'll go in your email signatures, it'll go on your business card, some of you will get it tattooed on your ankles.

It will be your seal of quality because that's what we stand for on Property Entrepreneur but we're not giving it away for free, okay. You're not going to just get one of these, you've got to earn it. So this is what you need to do to earn your accreditation for this year.

First of all you have to attend 10 of the 12 workshops plus or including the awards days. If you cannot make an award day, you'll be able to submit your presentation into the app, that will count. You actually delivering a presentation, not your slide deck.

It's like that will actually count and of course if there are extenuating circumstances then we will have a modicum of sanity, you know, if you've got a family bereavement etc. There will be an element of, but basically the point is it's 10 workshops, okay. Can we all do that?

Can we all do that? Good stuff, all right. Sunday Sanity, I wanted to do 100% but Dan took me down to 90.

So you have to hit a 90% post rate. That is, there is a margin of error in there, it should be 100% honest to God but we're going to give you 90% so that's a freebie on us, you're welcome. The Community App, we are a community, we are a family.

You've got two choices, you can either get involved and get up and give back and whether that means you're going to raise the minimum amount or whether that means you're going to go all in or help out, be on the committee, whatever it is, G-U-G-B or you have to contribute to the app with six different posts, not congratulations, that's not a post, a thread, adding some value, sharing your life like Tej and Martin did, you know, a nice photo of them getting together outside a property entrepreneur.

I want it, that definitely counts, that counts because it's about the experience, life is an experience and we all contribute to this community, we want the experience to be richer, deeper, emotionally engaging, we want to be the best community in the UK, not the biggest, that's what we're going for. So you choose on the community level and each year you have a choice to make, either you level up and you go up a level, as you can see this is level five, so some people in the room will already be there, or if you don't do this, it's level down, so you're going to go down a level, okay, so this will be your badge of honour, your seal of approval, do we like this? This is awesome, okay, so this is their, the level, sorry, is how many years around the track you've been with us, okay, so if you're a level seven property entrepreneur, like some people are, congratulations, and if you're a level one, welcome, again, congratulations, that's how it works, so you'll get to keep your level for as long as you keep executing, being in business is about staying in the game and it's about execution, so if you're not executing, why are you bothering, so probably time to hang your hat up and call it a day. Any questions, any other questions on the accreditation?

Microphone, sorry, this is going to be a good one, I thought someone would ask this, thanks Stefan.

[Speaker 23] (21:25 - 21:31)

Now a basic question there, is the level, does it start right now or does it count?

[Adam Goff] (21:32 - 21:58)

So if you, because it's the first year, the sort of founding member offer is, if you complete it this year, you will get the year that you have been on advance, okay, so if you've been on advance for three years and you complete this year, we'll give you straight to level three, if you don't do it this year, it's back down to the bottom, yeah, okay, Shanie, yeah, can we get a mic, can we get a mic for Shanie, told you, it's all change ladies and gents, it's all change.

[Speaker 10] (22:01 - 22:26)

Sunday sanity, yes, I'm going to come on to that in a second, so I'm in the red mark, but I have consistently been doing my top 10 with my buddy, up for the mastermind piece, so 90% I've probably already failed, so if I back that into screenshots of my buddy WhatsApp's.

[Adam Goff] (22:27 - 23:11)

Are we negotiating now? First of all, I want to say I am super proud of Shanie, because in case you didn't know, Shanie is literally the busiest human in the world, all right, she basically runs the IT thing of a bank, and she has done 100% Monday, Wednesday, Friday SCS with her buddy for the last month, so I think Shanie deserves a massive round of applause, 100%, she's nailing it, I'm going to talk about Sunday sanity at the end, but what I am going to say is we will wipe the slate clean for Sunday sanity, and it's from now, is that okay, is that fair, I know I'm going soft, aren't I, so that's it, the great questions, congrats, I'm so proud of you Shanie, congratulations,

[Speaker 12] (23:11 - 23:36)

one more from Rachel, you've got the mic Rachel, so I missed last year, but before that I'd done it four years round the track, or five years round the track, what's going on, and it was, can I get some sympathy, it was for a major operation, which would have meant I couldn't walk for three months, and it was really hard, all right, all right, all right, enough,

[Adam Goff] (23:37 - 24:20)

enough, no, I think we can give you your, do we think we should give Rachel the, yeah, yeah, no, it was mixed, mixed bag, they say as a public speaker you should never ask a question, you don't know what the answer is going to be, I think I just broke that rule, um, no, for me that's, obviously there's, there's different, there's different circumstances, you, thank you, she's so smart, no, that's fine, that's fine, that's fine, you've taken a sabbatical, that's okay, these things happen, that happens lots of times, people have to take a year out, you know, whatever, they commit to come back next year, that's, you know, we can, we can work out those details, but for me, Rachel, you know, you're going to be a level five, right, is that level five, if you get this year done, so that's, that's cool, so yeah, so, so good for you, well done, um, yeah, great, any more questions?

[Bianca O’Connell] (24:24 - 24:32)

Oh yeah, absolutely, absolutely, leave that with me, oh yeah,

[Adam Goff] (24:32 - 27:05)

yeah, leave that with me, huh, the black knives and fork, oh yeah, I'll have some fun with that, leave it with me, good, good, good suggestion, okay, good stuff, all right, so, um, over to you, ladies and gents, over to you, over to you, right, we are gonna now do a little run through of the app, because obviously we've launched this new community app, the goal of the app was to get you off the distraction of Facebook, of Instagram, this is not about reels, I shared with the mastermind that I got sucked into like an hour and a half of reel scrolling the other day, but like literally my first time, I was, I had a really good time, it was really fun, I was laughing, I was crying, I was literally loving it, and I realised it was a long time, I could have watched a movie, um, so the point is, we're trying to get you away from that noise, as busy entrepreneurs, we shouldn't really be consuming on Facebook, we should be creating content and giving it to IEAs to post, we don't really need to be going on Facebook, do we agree?

So we don't really want to be dragging you onto Facebook, so that's what we've created and put all the effort into this app, but this, this app is not cat sick in ice cream, this app should be high value, it's your, your family, your teammates, your friends, they need support, they need help, you need to share your journey with them, that's the whole point of this app, this is like your family WhatsApp, if it dings, you're gonna look, and that's where we're going with the app, that's what we want to create, but you know, obviously it's new, we need to get you guys up to speed with it, so I'm gonna do a little run through now of, of the app, just really quick, so everyone knows where to go, I mentioned it earlier, that we're gonna put some really high quality content on there, I recorded a 10 minute video of how I get 10 to 15,000 air miles a month, spending no money basically, just recycling a credit limit on a credit card, so that's like definitely a couple of business class flights to anywhere you want in the world every single year, so there's that kind of value already in there, I don't know if everybody's even seen that, okay, Valerie's fantastic, yeah, lunch with Adam Lawrence, you know, that was in the app, people within an hour took the seats, congratulations, so it's like we're going to be putting high quality, this is not noise and fluff, this is high quality, you want to hear this stuff, this is what you're paying for basically, so that's in there, that's honestly, I took, I've booked seats for my family to Dubai, I'm getting so excited, I'm so excited about this, I booked seats for my family to Dubai, six return flights, cost me 500 quid in taxes and like air miles, it's like, it's ridiculous, right, so it's like, anyway, get on it, so right, let's go through a really little demonstration now, can we

[Bianca O’Connell] (27:05 - 27:18)

cut to the, can we cut to the Mac, please, yeah, ah, one step ahead of you, Richie,

[Adam Goff] (27:20 - 28:36)

one step ahead of you, ah, anyway, so little run through of the app, obviously, this is our little announcement, now I'm going to give you, the first thing I want to do is talk about the introductions page, because this is our member catalogue, so this is everybody that is adding information about what they've got, now people have asked us for years, I want to know who, I don't know who's on my programme, I don't know who's on my programme, the member directory is literally a list of the who's who in Property Entrepreneur, so this is your little black book, credible people, all doing their own thing in different parts of the country, all smashing it, you know, you've got legal professionals, you've got design, you know, design agencies, you've got senior ops managers across the world, you've got legendary kitchen suppliers, you know, you've got interior designers, you've got mechanics, I mean, look, it goes on and on and on, right, this is our team, all right, and this is there, so some of you haven't even got a photo, okay, so you need to get a photo, you need to introduce yourself, people need to know who you are, so I'm going to ask Dex to put some music on now, if you haven't introduced yourself,

[Speaker 4] (28:37 - 28:50)

now's the time, let's go, get some music on, get an introduction, okay,

[Adam Goff] (28:52 - 29:22)

no talking please, no talking, if you haven't introduced yourself, now is the time, and if you have introduced yourself but you haven't got a photo, now's the time, if you haven't got a photo, now's also the time, a lot of people have, Craig, time for a photo, let's get an introduction, keep it punchy, where you're based,

[Speaker 4] (29:22 - 30:21)

what your business is, what you're looking for, if you haven't got a photo, you just take a selfie

[Adam Goff] (30:21 - 30:51)

yourself now, quickly, just keep the noise down, you don't have to talk about it, when you've done it, put your phone down please, where's Eduardo, has Eduardo done his yet, oh yeah,

[Speaker 7] (30:52 - 31:07)

you've got a photo now, have you, yeah, nice, all right, welcome Sarah, right ladies and gentlemen,

[Adam Goff] (31:07 - 31:49)

Sarah's the only one who said welcome, come on, chop chop, oh you're in twice Eduardo, that's why, look at this sexy operator, yes, if you've done it already, you're good, now if you've done it already, as long as you've got a photo, you're good, you can just chill, okay, good, so great, Josh has done one, about time Josh, thanks for joining us,

[Speaker 7] (31:50 - 32:03)

it's all good, huh, oh yeah, Josh, you need to get a image profile, steals can't be rushed,

[Adam Goff] (32:14 - 35:54)

okay, so just finish that up, get that posted, keep it nice and brief, just so everyone can see what you're up to, what you're doing, and then put your phones down please, now's the time to put the phone down, okay, so let's just run through some more housekeeping, all right, just please, if I could have your attention, we'll just run through this and then we'll go on to the next session, so what's important on here is obviously Sunday Sanity, let's just talk about Sunday Sanity, this is what you do, you go on, you go to the Sunday Sanity on the left, you click on Sunday Sanity, okay, so what you do is you click here, thank you Bianca, and you comment, this is my top 10, yeah, one, yeah, send Josh a love note, sorry, all in good time, all in good time, okay, so I post my Sunday Sanity on there, that's what you do, what you don't do, Chris, you're gonna hate me, is just make a new thread in the Sunday Sanity group, okay, because otherwise we'd have 86 of those, so sorry Eduardo and Chris, yeah, like 10 out of 10 for effort, the execution is everything, so that's that, what else is there, okay, so we've got areas for book club, so we can debate, discuss the book, share notes, I think that would be really valuable if you took notes to share them in there, you've got your homework in here, so you don't, you know, you don't have to have your workbook on you to check out your homework, I know it's all new, isn't it, so this is great, okay, the 28-day challenge, which we don't have this month, but we will have, you've got all your midweek mentoring recordings in here, look at that, mid-month and midweek mentors in here, so you can listen to me whenever you want, when you're out walking, nice and easy, nice and simple, all the resources from today's workshop, thank you Bianca for already posting them, you know, the vault email, I'm sorry, the, you know, the agenda that we talked about, and the different categories for your life, well, it's all here, it's literally like a directory, it's super high value, you can download the apps here, what else am I missing, am I missing anything Bianca? Thank you, absolutely right, yeah, so if you're wondering what the dates are, you can let us know you're coming, you've got all the dates here for EA to put in your diary, if they haven't done it off our Property Entrepreneur website, so you've got that, they can cross-reference, and probably the main thing I wanted to say was, when it comes to, so this is where the value is, it's the forum, so look, so already John's posted, thank you John for this, this is great, so John's already posted the Adams Proponomics, is that how you pronounce it? Okay, I didn't go to Oxford, I was dyslexic, they didn't let me in, but you know, this is basically our thread, this is where we're going to share value with each other, and you know, it's nice of Roberto to put that, that is what I was talking about, about Tejan thingy, but it's like, sorry Martin, what's wrong with me, I'm not getting too excited, I'm having too much of a good time, apologies Martin, fellow masterminder, okay, but you know, I think the idea about this is, is that if we wanted to know about title splits, we can create a long thread on title splits, and we can have like information in there for a long time that's high value, and people can go back, and we can get into the detail, the posts in Facebook get a bit lost, don't they, you know, like once they've gone past a few weeks, you lose them, and this is, this is like, we're going to have some really good threads on here, this is what I'm most excited about, so I think that's probably the main thing on there, there's my video for everyone that wants to learn.

[Daniel Hill] (36:01 - 37:48)

So Martin, Martin's there, yeah, just while Adam's doing that, just a top tip for all of you, so the conversation I get a lot at private dining over lunch is, I've got a deal, and I need to find some investors, or I've got cash, where can I find deals, and I say, have you actually started networking the room, and speaking to people, and they're like, oh no, I haven't actually done that, so everything, the whole thing about a proper entrepreneur community is, everything you need is in the room, and everything you need is in, in this community, and in the app.

Also, when we're talking about KPIs, and people like, you know, I'm looking for more client, we're looking for more investors who want to do freehold to leasehold tile split, if you've got a thing you want to own, a topic, so mine is bounce back boom, you know, I'm probably in the room, in this community, and the go-to person for the bounce back boom, so I immediately started a thread, called bounce back boom, whenever I read something now, you'll see it, I post it in there, updates, here's things for you to know, and just by default, I'm starting to, I own that space, you guys have all got something, that you bring to the party, before somebody else starts a thread called UK service accommodation market, and then they now own that space, and they're doing the posts, get in there first, and be the mortgage broker, the service accommodation person, the flip person, the deal sourcer, start your own thread, and then get the content going in there, to keep people engaged, share with the community, network, do deals together, you don't need to go and spend 20 grand doing a marketing campaign, all you need to do is do a post a week, on what you're doing, to help the community, and I guarantee you'll make money, you'll do deals, and you'll raise your profile.

[Adam Goff] (37:49 - 39:08)

Couldn't agree more, very well said, thank you Dan, there's a good example of Dan's post, I can bookmark it, obviously I'm talking about Martin, because I'm in his bad books, but you know, Martin has obviously got his refurbishment mastery business, he's the go-to guy, if you want to do a refill, you want to know about refills, you're doing it for the first time, you're doing it for clients, Martin's the chap, but it actually took me two years, to really know what Martin actually did, so this is it, we don't know enough about each other, we're sat next to each other, but we only really on supper clubs, and masterminds, and detailed lunches, do we actually find out what each other do, and it's really echoing Dan's sentiment, so any questions? Okay, no, we'll go back to the slide deck, please deck, so good, so thank you for doing that, this is our next level up, this is the next step in our journey, this is super high value, the final thing I'm going to say is, this is something you want to have notifications on for, it doesn't have to ding in the middle of property entrepreneur, but you need to get yourself using this, and this isn't going to be noisy, this is going to be high value quality content, this is like already filtered, so I would suggest that you put some kind of notification on for this app, that keeps you using it, and keeps you engaged, because we're all busy enough, some of us will forget to use it, and we're going to miss out, so question from Sarah?

[Speaker 9] (39:15 - 39:43)

It's a technical question regarding the notifications, because you get a notification if someone else comments on a post that you've commented on, but it's the same with the Sunday Sanity, which means if you post your Sunday Sanity, you get ping, ping, ping, ping, ping of other people posting theirs, and that is quite annoying, unless you're the last person to post, you don't want to be the last person, because then you miss it, so I want to have it on, but I don't know how to turn that off, and it's a bit frustrating, okay, thanks.

[Adam Goff] (39:43 - 44:08)

We'll look into that, we'll try and maybe figure out a different way of doing it, that's actually, that's really good feedback, thank you Sarah, good, okay, so add it on your action list, set a diary note, get your notifications on, make sure you use this app, you're going to get out what you put in, okay, so what we're going to move on to now is the winter hit list, so we want to get ahead of the game, and we can't fix the roof when it's raining, but we can see where the leaks are, and so we need to step up the game and start our winter hit list groups, so the image that you need for winter hit list should, actually is it in the app already, will be in the app very soon, no, it will be very soon, who's already got their winter hit list open? Amazing, okay, amazing, if you haven't, now is the time to open it, we need to have a winter hit list WhatsApp group, so you can start adding things to it, so that when it comes to next workshop in January, you're not scratching around trying to build your list, you've already got an ongoing list that you've built, so that's going to be provided for you in the app, please stick it on your action list to actually get that done, okay, get that done, right, third and final KPI for the day, third and final KPI for the day, wealth, so we've done life by design, okay, we're there with health, once we've done our Bluecrest metabolic age, now as Dan introduced earlier, wealth is all about figuring out how much of your passive income, your financial fortress income, is covering your lifestyle costs, this is how we calm down, we get clarity, and we know actually we're heading in the right direction, and ultimately this session is all about knowing your number, we've got to know our number, we've got to have financial clarity, and every year we revisit this to make sure that we account for things that have changed, and that we just redo our sums basically, before we go into another year of changing things, and increasing overheads, and we're getting to the end of our budgets, and things like that, we need to actually just re-look at this, so if you've already done it, you need to refresh it, bless you, and if you haven't, then you need to have clarity on this, so financial fortress, right, safe secure assets, producing secure income, equals financial independence, that's where we're all headed to, financial independence, this is what's going to allow you to do the things in your life that you really want to do, for me obviously, once I'd achieved my financial fortress, I was able to sell the business, because I was like, I don't need the noisy company anymore, because I've got my living costs covered by my financial fortress, so it allowed me to unlock a load more equity, because I didn't need the business to generate me wealth anymore, because I had enough wealth to survive, having the financial fortress, and knowing that I could cover my bills, meant that I could pursue a different career path, right, speaking, business mentoring, so it allowed me the freedom to change career, knowing that I didn't have the stress and anxiety of paying the bills, obviously then it also allowed me to do my bucket list, to tick off 31 out of 32 things that I wanted to do last year, to do things with the people I love, to take time out, to learn things about life that weren't just business and money focused, it gave me all of those things that I wanted to achieve, but it took me seven or eight years to actually get to that point, so that's what we want for all of you, because whatever it is that you want, you can have it, knowing that the bills are paid, and that's a really unique and powerful thing to have for each and every one of us. So who here wants that kind of clarity on their wealth, just a show of hands?

Fantastic, well how about you hear from someone who has done this, and completed it literally last month, so while he's been on Property Entrepreneur, he's come from an absolute, from nothing, from a standing start, he's been through all the levels, and he has recently completed his financial fortress, it's a hell of an achievement, he did it totally using the blueprint, so without further ado, let's give a massive Property Entrepreneur welcome to the host of the board, a trainer on Property Entrepreneur program, and the ultimate FD, recent financial fortress completee, Mr Josh Keegan, let's give him a big hand.

[Josh Keegan] (44:24 - 50:32)

Cool, nice to see you all, good day so far? Enjoying ourselves? Adam's had some crackers today hasn't he?

Offending probably all of the room so far, I've been offended three times, it's quite hard to offend me, but we'll move on, so know your number, so this is the third and final session of today, you've already done your health number, we've already done our life by design, and now this is all about wealth, the third and final KPI in the blueprints we're going to share with you, how you're basically going to track this for the entire year. Adam shared with you, I literally have just completed this, so I'm going to be sharing with you with the financial fortress blueprint today, but it's been about eight years of work to finally get to this point, but it's crazy, it literally like completed last month, and it's like, don't keep asking me how it feels, it's really hard to explain, but it's like, it is a feeling, it's this feeling of like now work becomes fun, before it was like it had to happen, you had to get this income, these things had to happen, and now it's like it can happen, and it's gonna be a lot of fun doing it, but you know you've got that safety net, and you know you've got the security, and if you just sit and you don't touch that financial fortress for 10, 15, 20 years, the power of compound is just insane, so we want to get this in as quick and as fast as possible, you're all busy, you've all got loads and loads of stuff going on, make sure that as a result of that, you're increasing your wealth, and over time your wealth is actually going up, and you're actually going to have something to show for it, if the businesses went bad, if you got sick and you couldn't work, and that's what this is all about, this is about total financial independence, so this is the number, and this is what we're going to be working towards, and this number, is everyone clear on what this actually is, what it means, yeah, a few of us, okay about four, four or five of you, good, yeah, most of you are lying, so basically what this means, is this is the cover of your income from your financial fortress assets, what number do we want this, where do we want this to be ideally, 100% exactly, sorry Tony, over 100, Tony's ambitious, yeah exactly, but the first point of call is getting to 100%, so we want to be in a place where your financial fortress assets, the income from your financial fortress assets, equal or exceed your living expenses, your lifestyle costs, because that's retirement, that's how you're going to actually stop working, and throw in the towel, not do anything more, if you don't want to, financial fortress asset, what is a financial fortress asset? Boring, yeah, boring asset, yeah absolutely, is it a professional HMO? No, it could be a leased professional HMO, a single let, commercial property, it's anything that fits at the top of that triangle, on that wealth hierarchy, so boring stuff, things aren't engaging, aren't exciting, aren't particularly high return, but they're going to be there, they're going to be there for the next 10, 15, 20, 30 years, and when you're old and frail, there's not going to be tenants drinking each other's milk, that you're going to have to deal with, it's like that kind of level, it's the highest level that we could possibly, possibly get to, there's two ways to actually increase this number, first way is increase your financial fortress portfolio, and increase the income that you're going to get from your financial fortress, what's the second way? Yeah, smashing it, so you absolutely reduce your outgoings, so there's two ways we can do this, we can either increase our financial forces income, or we can increase our outgoing, and in most cases it'll probably be a bit of both, and if we get a bit of both, that's how we get here a lot quicker, rather than what we see some people want to do, is they want to go, go the distance, they want to spend a hundred grand a month, and all this kind of stuff, and it's like you can do that, but it's going to be quite difficult for you to get there, you're creating a rod for your own back, so know your number, and we're going to go through and make it so you know, by next month you're going to know exactly what this number is, and we're going to do a lot of that work in the session now, and Dec can we sort the timer out for me please, so by the end of this session, you're going to know exactly where we are, where you are now, sorry you don't know exactly, you're going to do the majority of the work today, where you are now, you're going to have a good idea, but then you're going to formalize it, and be in a good place to have this done by the next month, there's three parts to this, so the first part, personal cash flow management, personal cash flow management, we've heard of this before, it's how much is your lifestyle, how much does it actually cost for you to live, okay we're going to go through this in a moment, the next part is done then fun, know your number, what actually is your number, how much equity do you need, at what level of return to allow you to achieve your lifestyle costs, and the third part is your financial fortress, what actually makes up your financial fortress, what are the assets within there which actually provide you this income, now don't worry we're going to go through each and every one of those a bit more slow, and that was just a bit of a summary, so you can get a feel of what this looks like in practice, this is your financial fortress, and you, we're going to be working on this, so this is basically, we only ever taught this on the board before, so this is a board level blueprint, board level asset, for the first time we're teaching this to advance, and in shortly I'm going to invite you guys just to actually open this up, this is a spreadsheet, which I know for some of you is not ideal, but it is a spreadsheet, it's the only way we can do this and apologies, but we're going to open this up, and I'm going to take you through it very slowly and steadily, and it is a very very simple spreadsheet, I'm going to say you can't break it, but I've seen what some of you can do to spreadsheets, but it's very hard to break, I mean it's very very difficult to break, but I'm sure some of you will manage it, but I'm going to be here to make sure that we go through this slowly and steadily, and there's basically three tabs that we're going to be doing, we're going to be doing, the third will be your homework, but the third one should be a pretty straightforward one for you to be able to do, because it's all your personal different elements, so tab number one is going to be know your number, what equity do you need, and at what percentage return, so how much equity, equity being your net asset value, being your assets minus your liability, so your assets minus your debt, the number in the middle, and what level of return that's actually going to generate you, six, ten, twelve, whatever percentage, we're going to work that out. The spreadsheet, go on, go on Umesh.

[Speaker 13] (50:32 - 50:42)

What's the difference between the 2024 spreadsheet asking us to do now, and the one that Dan went through in the financial fortress six-week, nine-week training?

[Josh Keegan] (50:42 - 56:02)

So they're living off the steam blueprint, yeah, which you did, the financial fortress training, yeah, it's exactly the same, okay, but if you've already done it, because you pay for Dan's training, it's private, private mentoring, go through and use this time to update it, because it changes every year, doesn't it, and every year, well basically, Dan does his every year, I do mine every year, and then every month I check into this, okay, cool, okay, perfect, apologies, yeah, so the first three tabs, and the rest is done in the blueprint, so the first can be know your number, the second is going to be then PCM, so personal cash flow management, so we're actually going to work out what your lifestyle expenditure actually looks like, holidays, whatever it is you're going to spend your money on, and then the third element to this is the portfolio, so the actual portfolio that makes up your financial fortress assets, that's what we're going to be looking at today, so we start PCM, and I'm going to get, Dec, if you don't mind just switching, switching the screens, and we're going to go on to here, so I'm going to invite you guys to open this in a moment, you should have all been sent it, and there's also a QR code in the workbook, but just hold five for now, and let me just take you through this sheet, and then we'll open it, and then we'll get started with the first one, so personal cash flow management, so you think what we're trying to do here, we're trying to basically work out what does that income look like at the moment, and what's our expenditure, how much do we actually need every single month to survive, to pay for holidays, to actually live, you know, live our life, and that's what we're trying to work out, because what we're trying to do is make sure our financial fortress covers that expenditure, it's quite simple in practice isn't it, but people can massively over complicate this, so you're going to use this spreadsheet to actually work it through, so at the top you've got your income, should be quite self-explanatory, but income in this case would just be any post-tax income, so income you can actually take out of your company, so if you have a company that's doing, I don't know, 100k revenue this year, that's not your income, your income is saying what of that money you actually take out into your personal name, or what would you like to take out, so that's going to be at the top, then we're going to have our outgoings, so your actual outgoings, and these would be anything that aren't, these are basically direct debits and standing orders, you all right Chelsea, do you need help?

Okay cool, as I said in a moment we will, I'll invite everyone to get the talk now, a lot of people you're logging on to already, I can see at the top here, just, are you the anonymous llama? The chinchilla? I don't know, I don't know who the anonymous lemur is, so then we're going to go into direct debits and standing orders, so what are the things that go out every single month for each and every one of you, so it could be a car lease, it could be fuel, it could be insurance, the non-lifestyle things that go out each and every month, then we're going to go on to outgoings, and these would be your household outgoings, so things like your mortgage, gas and electric, it should be quite self-explanatory what those things are to actually live, and then we've got your monthly living expenditures, so your lifestyle stuff, so it could be gym, health, I have a kombucha subscription, yeah it's good stuff, I haven't had lunch, so like things that go on there, all this microbiome apparently, I highly recommend it, someone's saying it's awful over here, no, it's different flavours, so yeah I have one of those every lunch, Adam might have like 500 quid a month from Brew Cream or whatever he does for his hair, and then you might have savings and ISA, so this is any post-tax stuff, so this is not, if you're putting money into a pension, that might be post-tax money, it'd probably come from your company, this would be post-tax things, it could be an ISA, so anything you put money into where you've already taken the money out and you're putting into something, so post-tax stuff in there, and what that's going to do is it's going to get to us to have a little summary down here, and this is basically like the P&L of our life, so we're going to do this together, we're going to have about 10 minutes to actually do this, so I'm going to, and obviously what I'd say for now is do your best, but if there's things that you need to go and check on in the month, that's cool, but we're going to get the bulk of the work done now, get it open, get yourself familiarised, and then you can go and do a bit more in the month, so I'm going to invite you guys to get this open, it should have been emailed to you, it should have been whatsapped to you, and there's also a QR code in your workbook which you can scan, which, Norman, do you mind just showing that? So there's a QR code here on page 24 that you can actually scan as well, so you can get this open. This is actual, so for now this is actual, so we're trying to find out where we are right now.

Yeah, cool. Yeah, Akash. So Akash has asked for income, do you put portfolio income down, or do you put business income down, anything, any income that comes into your personal name is what you put down, anything you extract into your personal name.

Do you want to get a microphone if you've got a few more bits and pieces, get him, can I just, I'll steal that please. Oh he's got one, go on Akash. Yeah, can you put the microphone on please?

[Bianca O’Connell] (56:09 - 56:09)

Hello?

[Josh Keegan] (56:10 - 56:28)

Okay, so yeah, so if we're putting portfolio income down, then do we need to put portfolio cost down, or do I just put the net portfolio? So everybody, just before you all get started, so income, I knew this was going to be a question, so income is money you've taken out that's then yours, there's no cost associated with it, it's just your money you've got now to spend, you could do whatever you want with that, okay?

[Daniel Hill] (56:28 - 56:29)

Cheers.

[Josh Keegan] (56:29 - 56:49)

Cool, right, put some music on for a moment, if everyone can just keep as quiet as possible, but then put your hand up if you need help, that'd be much appreciated, you've got about 10 minutes to get this, to work through this and get this done. Please download it, don't use the master sheet. They can't use it, cool, so make sure you download it.

[Speaker 19] (56:52 - 56:56)

Yeah, make a copy.

[Josh Keegan] (57:04 - 57:11)

You need to make a copy of the sheet, okay, so you need to make a copy of the sheet on Google Drive. It won't let you download it.

[Adam Goff] (57:11 - 57:19)

Yeah, it does, it does, does download. Go to file, on the top, file, and then make a copy or download.

[Josh Keegan] (57:20 - 57:22)

Yeah, so file, make a copy or download.

[Adam Goff] (57:26 - 57:33)

That was a dream. Has anything changed?

[Josh Keegan] (1:00:34 - 1:00:47)

Everyone, you're just inputting into the grey cells and it will just kick them out on the rest of the sheet for you. It's going to have five minutes.

[Speaker 19] (1:02:38 - 1:02:59)

Let's not overly chat about this, you know. Okay, just two more minutes. Yes, Rachel.

[Josh Keegan] (1:03:36 - 1:06:03)

Ladies and gentlemen, just please try and keep the noise down, because it's quite a concentrated piece of work, but put your hand up if you need any help, okay? Okay, we're going to wind down now, ladies and gentlemen, for 30 seconds. Yeah, just check the totals are working at the bottom.

[Adam Goff] (1:06:05 - 1:06:12)

Yeah. Josh, what was this quickly? What's the money dashboard app that you use to get all your, like, to track monthly cash flow?

[Speaker 20] (1:06:12 - 1:06:13)

Money dashboard, that's cool.

[Adam Goff] (1:06:13 - 1:06:17)

Is it called money dashboard? Yeah, yeah. Apparently they've stopped.

[Josh Keegan] (1:06:20 - 1:10:41)

I've not seen that. I stopped using it a few months ago. I did it for about six months.

I was like, I'm cool, I'm not going to do it anymore. So, cool. Right, ladies and gents, back of the room, please.

Let's keep moving on. It's got a lot to get through. So, I appreciate there might be a bit of work you've got to go away and do, print off a bank statement, just check your income and expenditure, but hopefully you can kind of see the principle here.

And where we're trying to get to it, can we just get everyone back in the room? Where we're trying to get to is a point where we know what our annual expenditure is, our monthly and annual expenditure. So, we know what our lifestyle cost actually is.

That's the first step of this. That's PCM. The next step, and please don't get started working on this.

I know all of you have done all three tabs already. That's the way you all work. No matter how many times I tell you not to, but we are then going to move on to this.

And this is basically my number. So, this is what knowing your number. And as I said, what we're trying to do here is work out the equity number that we actually want to achieve, as well as the income.

So, we're doing PCM. We've now got an outgoing number. We've got this number here.

So, this second number down, which is what income you actually need. So, if you know you're going to spend £100,000 a year, and that's what your lifestyle costs, then you know you need to generate £100,000 from your financial fortress. Can you follow that logic?

Great. Then we've got to work out, well then how much equity are we actually going to have to build to generate that £100,000? And that's what we're trying to work out.

So, on this model at the moment, so for example, on this one at the moment, we've got £1.5 million. If we generate equity of £1.5 million, that will kick out £100,000 if that return is about 6.67%. I mean, for a financial fortress asset, sounds pretty good, doesn't it? Sounds quite realistic.

Some of you, however, might have, right, I'm going to try and generate it off a million pounds. And then that's coming out 10%. And like, you might be able to generate 10% from a financial fortress asset, but it's probably a bit racy.

I'd say like, that's probably in that category of abnormal returns. That would be like your professional HMOs and all those things that have slightly higher returns. It's probably not at that financial fortress asset kind of level.

So you might say, well, I'm going to need a bit more than a million pounds equity to achieve that £100,000 income. Or some of you might look there and go, well, I actually want it to be really risk-free. So I'm going to go for £3 million.

And then your return will be 3.33%. Now, that's very achievable. And you could, I'm sure most of us, you know, of our eyes could find assets that we generate as 3.5% are quite straightforward. And that'd be great.

And it'd be relatively low risk. But consideration there is you're going to need £3 million. So you need a lot, much bigger pot of money to achieve the same result.

So what we want to do is find that sweet spot, that area, we're happy that the return is at a level which is not too high. That's going to be, it's not, it's going to mean it's a higher risk asset, but not too low. Then it means going to have to work harder than we want to, but just in that middle.

So it's a real sweet spot between about 6% to 8%, which is just a real sweet spot, which is kind of relatively low risk, still a bit of a push, but it's all a comfortable level of return that we can actually achieve. And that's what we need to do next. We're going to put some music on in a moment.

And all you're going to do very simply is in this box here, you're going to type in your expenditure. So on PCM, down the bottom, you go to down here, it will tell you what your expenditure actually was going to be. So on this example here, it's £33,000.

So you would literally type in £33,000 into here. And then what you're going to then do is like play around with the level of equity you're actually going to need to achieve that. So £33,000, if you said something like, I don't know, £650, probably a bit less, you'd probably do that in half a minute.

So you can play around with it. And you get to a place where you go, right, well, if I want £33,000 a year, around a 6% to 8% level of return, put that number in, and we're going to get to the right level. So that's what we're going to do, put some music on for about seven minutes, give you guys the opportunity.

Step one, put what your expenditure is for the year into this box. And then step two, play around with the top number. So you get to an equity level of about between 6% to 8% that you think is going to be feasible for you to target.

Guillaume, yes, the box.

[Speaker 11] (1:10:44 - 1:10:59)

Financial fortress properties will mainly be held in some companies. So how do we get this 33 net? So do we need to sort of factor something for the tax and things?

We need to get the money out of the financial fortress as well. So how do we factor it?

[Josh Keegan] (1:11:00 - 1:11:01)

So what's your question?

[Speaker 11] (1:11:02 - 1:11:04)

The properties will be held in a company.

[Josh Keegan] (1:11:05 - 1:11:05)

Yeah.

[Speaker 11] (1:11:05 - 1:11:13)

So the income will be owned by the company. We shareholder of the company, we can draw some income from it, but we'll pay some, there'll be some corporation tax, there'll be some tax on here and there.

[Josh Keegan] (1:11:14 - 1:11:33)

Oh, just for now, just, we're going to do that kind of in the next bit of the portfolio. I'll just keep it quite simple for now. If you wanted to put a bit of a, if you wanted to factor in a corporation tax adjustment to your return, you potentially could do, like you could do that.

But I'd say, keep it simple. Let's look at your assets, look at what income you got generated to your financial fortress company, and then you can choose how much of that you actually generate in the most tax efficient way.

[Speaker 11] (1:11:34 - 1:11:34)

Okay.

[Josh Keegan] (1:11:34 - 1:11:34)

Yeah.

[Speaker 11] (1:11:35 - 1:11:37)

Yeah. So we probably want to pump it up a bit. Yeah.

[Josh Keegan] (1:11:37 - 1:11:39)

Okay, cool. Do you want to add something to that Dan?

[Daniel Hill] (1:11:43 - 1:12:11)

So Guillaume's point is spot on, is this number here, if you're calculating the figure on your personal cash flow net of tax, then this would be net of tax as well, wouldn't it? Because you want to be plus minus now. So if the PCM is after tax, then your figure here of 33K is after tax.

So it's both of the net figures.

[Josh Keegan] (1:12:12 - 1:12:18)

So the return will be the net figure after tax. Yeah. Yeah.

Cool. Perfect.

[Speaker 20] (1:12:18 - 1:12:24)

Okay, cool. Any questions before we dive into that? Yeah, I've got a couple more.

Guillaume, can you just pass the microphone?

[Speaker 18] (1:12:30 - 1:12:41)

Brilliant. So I'm in the fortunate position, I get a government pension already. So presumably, I need to then work out a figure above that in equity that I need to produce the additional income.

[Josh Keegan] (1:12:41 - 1:12:52)

Yeah. The additional income you need, because as long as that, if that pension counts as that financial fortress asset, which it does, then it would just be the incremental you need to make up that gap.

[Speaker 18] (1:12:53 - 1:12:53)

Because obviously, yeah.

[Josh Keegan] (1:12:54 - 1:13:02)

Yeah. Fine. Yeah.

Shall we, what I'm going to suggest we do, actually, we'll do two more questions, then as it comes to time, so we'll dive into it. And then we can, people can put their hands up.

[Speaker 16] (1:13:02 - 1:13:16)

You might have answered this earlier, but I don't take a lot of my income, I just leave it in the company and roll it over to the next things. Should I be trying to allow some of that into my figures here? Or is this just what I take?

Because I just take 50,000, that's it.

[Josh Keegan] (1:13:16 - 1:13:19)

If you don't take it, I'm assuming you don't need it.

[Speaker 16] (1:13:19 - 1:13:19)

Yeah.

[Josh Keegan] (1:13:19 - 1:13:33)

Yeah. So all we're trying to do is get to a place where you actually generate your financial fortress to a level of income that you actually need. So your financial fortress, if you're only taking 50,000, because you need 50,000, then we'll get your financial fortress to a place where it just kicks out 50,000.

[Speaker 15] (1:13:34 - 1:13:52)

Yeah. Go on Tim. If you've got mixed use properties, so I've got some which are like three HMOs and then four commercial units, the four commercial units would be financial fortress type income, but the HMOs aren't under that definition.

How should I split it out now?

[Josh Keegan] (1:13:52 - 1:14:23)

Well, yeah, they're all different assets aren't they? So in a moment we're going to look at your portfolio and you've categorized some of them as being financial fortress, the commercial ones, the HMOs you wouldn't classify that. It's a freehold though.

It's a freehold, one freehold title. Yeah. You could probably just allocate- Allocate a percentage of what the commercial would be.

Probably, yeah. The commercial would be financial fortress, the HMOs wouldn't be. And then one of the things you can do is if you think about how I complete my financial fortress, I flip the HMOs to long-term leases.

Yeah, that's the plan in the future. Perfect.

[Speaker 15] (1:14:23 - 1:14:31)

But then at the moment, it's hard to work out what the percentage would be basically. Yeah. Yeah.

If I'd put on leases, yeah.

[Josh Keegan] (1:14:35 - 1:14:41)

Cool. Okay. Right, we're going to dive into it.

We've got five minutes and I'm going to put some music on and we'll come around and just speak. Yeah, go on. Sorry, Josh.

[Speaker 17] (1:14:41 - 1:14:55)

Over the last few years, I've been significantly reducing my outgoings. Yeah. I don't intend my outgoings to be this low for the next 10 years.

I'll certainly intend them to be creasing up. So am I looking at this with a view to the future or right now?

[Josh Keegan] (1:14:56 - 1:15:14)

Let's do it for now. And then obviously you can play around with it for the future as well. But let's get it in there now.

Let's see where we are at this point and then we can change and move the target to aspiration. Keep it simple for now. Okay.

Let's get to dive into it. Five minutes, music on please. And then I'll come around and help anybody.

Just raise your hand and I'll come and give you some support. Go on, Steve.

[Speaker 19] (1:15:15 - 1:22:33)

I was trying to work out mine. Yeah, I did. Yeah.

Yeah.

[Speaker 20] (1:23:06 - 1:23:06)

Cool.

[Josh Keegan] (1:23:07 - 1:23:55)

All right, ladies and gents. Okay. Thank you.

First few parts done. PCM. We've used them PCM to know what we're going to spend.

And now we know our numbers. So we have a feel for how much equity we need to build at what level of return to get our financial fortress complete. And everybody's going to be totally, totally different.

I've got some amazing questions in the room. For example, if I know my costs are going to change in the future, what do I put in? Well, I would put them in for now where they are actually now.

But if you know they're going to change in the next couple of months, then you put them in higher. If you think it's going to last five or six years, just keep it simple. Go where you're at now.

You can always revisit this every single year. And if you have any more questions, just put it into the community app. Put it in there and we'll help and we'll build that out for you.

[Speaker 20] (1:23:57 - 1:24:03)

Final sheet is this one. So this, we're not going to do this in the room. It's going to be how you work.

[Josh Keegan] (1:24:05 - 1:25:20)

There we go. I don't know how to work a Mac, but I think I've done it. So this is your portfolio.

So what this is then is a list of all of your assets. It's all of the properties that actually make up your financial fortress. Now, what you're going to do is you're going to take some time and you're going to actually put all of your assets into this.

Financial fortress or non-financial fortress, all into this. Now, some of these will take a bit of time. Some of you, if you've got bookkeepers, you've got finance managers, this is a two-minute job.

Just tell them, go into my balance sheet, take all the mortgage values, take all the asset values and put it onto this. And it's a very, very quick job and thing to do. So hopefully some of you can outsource this and get this done quite quickly.

What we're doing here, getting all of the assets listed. And then we want to basically just select the ones that are your financial fortress. So which of these are actually in that financial fortress category.

And then this is going to tell us what income we've already got from our financial fortress. Someone clear on that? Yeah.

So this is your homework. It's to basically create a list of your portfolio assets. And that's going to tell you where you are at now.

We're going to move on. I'm going to finish up in the next few minutes. So any questions before I do that?

Go on Valerie. We'll do three questions and then we'll move on. Can I get the mic for Valerie please?

It's over here. I won't throw it.

[Speaker 14] (1:25:22 - 1:25:26)

What happens if none of yours are financial fortress?

[Josh Keegan] (1:25:26 - 1:25:30)

Well, unfortunately, that means you'll be 0%.

[Speaker 24] (1:25:30 - 1:25:30)

Yeah.

[Josh Keegan] (1:25:31 - 1:25:50)

But I think like the key sentiment is like I was at 0% about two years ago. And I'm now 100% because I've used the assets and I've flipped them into that territory. So it's not like you need to go out and buy the portfolio again, you're not failing.

I think it's just starting to think about, can I flip this? Can I change this? And can I progress this?

Can I progress what I've already got? What am I already sitting on?

[Speaker 14] (1:25:51 - 1:26:00)

Yeah. Mine are high level HMOs. So they're unlikely to be leased at the same level as yours were for where they are, you know, back to back leasing.

So that's not likely.

[Josh Keegan] (1:26:00 - 1:26:01)

You might be pleasantly surprised.

[Speaker 14] (1:26:01 - 1:26:01)

Really?

[Josh Keegan] (1:26:01 - 1:26:05)

Yeah. The demand is absolutely nuts. We're looking at the high HMOs.

[Speaker 14] (1:26:06 - 1:26:16)

High value. So 700 grand up properties in areas that would not necessarily be good for the type of tenant that might be on a back to back lease.

[Josh Keegan] (1:26:16 - 1:26:46)

Or ex-offenders. Or whatever it is you have. By the way, mine aren't ex-offenders.

I've clarified that. They're a level up from ex-offenders. That's what Chris said.

He said they're a level up from ex-offenders. He clarified it. Current offenders.

So yeah. You might be surprised. Have a think.

But you might be surprised. Some of mine I've just rented out on a rent to rent basis to a letting agent. Five years.

So that, fine. Perfect. It's all those kind of options.

Yeah. Thank you. Go on, Chelsea.

[Speaker 8] (1:26:46 - 1:27:20)

I was just going to add to what Valerie said. In terms of like the back to back leasing and stuff, there are so many different providers who all want different things. It's not just really bottom end of the market.

Some of them are people that just need care to come in. Or people that need mental health support. It's important not to put it all in the same category.

Some of them do want really nice areas and stuff like that. You'll be surprised at what you could get with the back to back leasing. It's not always just social housing.

It's more support and stuff like that. So yeah. Definitely think about it.

[Daniel Hill] (1:27:20 - 1:27:59)

Thank you very much. Just to back up what Chelsea was saying. We had a conversation in the boardroom last night.

If you remember, there was one example where there was a HMO with three bedrooms. I'm on a lease for a specialist care. They're getting £10,000 a week.

So it's like that doesn't matter where it is. It's specialist care. So there's going to be operators for that.

And then also, just a clarification point. The term back to back leasing is more so when you lease a building off somebody and then lease it on somebody else. What Josh has actually done is just done a lease, like a straight lease to me.

You can also obviously buy different stock. You start building stock that's not the current stock, but is on a five year lease or commercial, something like that.

[Josh Keegan] (1:27:59 - 1:28:07)

Dan, would you count a back to back lease as a Financial Fortress asset if you didn't own it? No. Cool.

There's no asset value.

[Daniel Hill] (1:28:08 - 1:28:08)

It's just cash flow.

[Josh Keegan] (1:28:08 - 1:30:17)

It's level one, isn't it? Yeah, I agree. Very good.

Any more questions before we wrap up? Cool. So the homework for this month is just to finish all of this off, cross the T's, dot the I's, and get yourself to a place where you've got this all extremely and exceedingly clear.

Could we go back onto the slide deck, please? So wealth. This is what it's all about.

We're all going to be busy. We've all got loads of big, big plans. But just make sure whatever it is we're doing, we're actually progressing and creating something that's actually going to give us stability, financial independence, and freedom.

By next month, you need to know your wealth number. To be super clear, all we're going to do is going to divide our current level of Financial Fortress income by, sorry, we're going to divide our expenditure by our level of Financial Fortress income at the moment. And that's going to be how we're going to get our percentage figure of financial independence.

And then as Dan-Adam alluded to, this is going to be in your strategy presentations, and we're going to build then your property strategy for the rest of the year about increasing this number. Yeah, of course, Rachel. I'm sure we can pop it in the community as well.

So if you think about what is your financial independence cover, it's what percentage of your expenditure, your monthly outgoings, is covered by your Financial Fortress income. So if you spend £10,000 a month and you've got £10,000 a month in your Financial Fortress, you're at 100%. You can write it down, like the equation.

It's quite late in the day and I keep, I'm quite, I'm tired. Right. Ask a good accountant.

So what percentage of your expenses are covered by your Financial Fortress income? So expenses divided by Financial Fortress income equals a percentage. Anyone happy with that?

No, I'm not doing it again. I'm not doing it again. So as, go on, Casey, yeah.

Can we get the microphone for Casey, please? How do we? Oh, yeah, well, thank you.

It's all right.

[Speaker 5] (1:30:22 - 1:30:36)

So with this, you're really only looking at the property that you have, your property portfolio. What if you have like dividend income or, you know, something other than just the property portfolio, which would be included in this percentage?

[Josh Keegan] (1:30:36 - 1:31:02)

So we're looking at any equity that kicks out income, which is in that asset category. So this kind of counts as boring income. So given an income, like if it's like a big company, it's very, very predictable, you know, they're going to be around for the next 10, 15, 20 years, you might want to put it in there.

I'm not sure if I would personally want that. Maybe if it's in some sort of tracker and is it from like the stock market? What is it?

[Speaker 20] (1:31:02 - 1:31:02)

Yeah.

[Speaker 5] (1:31:16 - 1:31:51)

Okay. And I do have a question that may only, and I apologize, apply to us myself, is that we obviously have assets in other countries. Do you include that as well?

So if you're getting income, but I'm not necessarily bringing it here, would you still include it?

[Josh Keegan] (1:31:52 - 1:31:54)

Could you access that income if you wanted to?

[Speaker 5] (1:31:55 - 1:31:55)

Yes.

[Josh Keegan] (1:31:56 - 1:32:15)

Yeah. So I'd say like, I mean, I probably wouldn't include it in the tracker, but if it's going into a company and, you know, one day if I wanted to, you know, things went wrong and this is what it's all about. We've got to come back to it.

If things went wrong, I had to stop working, whatever happened, I could access that income. Then you may not want to include them in the tracker, but it's just nice to know you've got it in your back pocket if you need it.

[Speaker 24] (1:32:15 - 1:32:16)

Okay. Thank you.

[Josh Keegan] (1:32:16 - 1:32:26)

Cool. And then final question from Chris. What are you going to ask about your international investment as well?

All right. Final one from you then we will finish.

[Speaker 13] (1:32:26 - 1:32:42)

If you've got an HMO portfolio that you own, and that is providing national, that is providing the income that you live on, but you've got a management agency that manages it all. Do you include that as a financial fortress or not?

[Josh Keegan] (1:32:42 - 1:34:12)

Unfortunately not, no. This needs to be, yeah, it needs to be in that asset category. It's still not in that asset category if you've got a management company in there.

There's still problems. It's still like, if the wheels fell off that market, you would still have to get involved no matter how good your agent is. You'd still be involved, you'd be managing your agent.

You know, think about your admin of 40 years here, you've just woken up, you've had your pipe and slippers, and you're like getting called for your agent about stuff that someone's done this AI breach in the house. It's like, you don't want to, you don't want to be involved in that do you? That's not a financial fortress asset.

You shouldn't hear about any of that stuff ever, if it's in that asset category. Right. For those of you that want to go the distance on this, we have a very, very special program for you.

You can't do anything now, I'm just informing you about it. So Dan's going to run his living off the steam blueprint from January of next year. So keep an eye out for that and how you can actually buy that and go the distance.

Dan's already kind of ruined part of the picture of this. So it's only, it's only for anybody that's come back, you know, that wealthy entrepreneur, 100k and above over with the income that's going to get value. So if you're not in that category, genuinely, you won't get the value from doing this.

It's high level asset and wealth management. Keep an eye out for that, like everyone that's been on that just speaks very, very highly of it. And it's really for those people that do want to go the distance for this and unlock the next nine or 10 parts of this actual blueprint.

Enjoy that ladies and gents. Good time. Ladies, gents, thank you very much.

It's been an absolute pleasure. Let's welcome Mr. Gough to the stage. Thank you.

[Adam Goff] (1:34:13 - 1:43:41)

Cool, cool, cool. Okay, good. So we've got some homework to do.

This financial fortress thing is going to be a game changer for us. Let's wrap up the day. So homework, let's turn to our homework.

All changed. As I showed you, we've made it even easier this year with page 31 in the back of the book, every single cave session you should be doing. And already starting to get you to think about your strategy day presentation, the checklist of the work that you're going to have to do in order to pull together your strategy day presentation.

So that's really important. There's a lot on here, isn't there, guys and gents? There's a lot on there, isn't there?

So we've got to get some serious prime time and cave times booked in. And then on the next page, obviously, you've got your headline strategy stuff. If you haven't done it in the room yet, like booking, have you actually booked the venue?

Have you actually sent out the agenda? The key thing with the headline strategy is this, and I think Dan said it, but I just want to make it really clear, is that when you go into your strategy day sessions, your strategy sessions, the brainstorming part, don't you go in there with a blank sheet of paper. You need to have gone in there with a lot of the heads work already done.

You need to have an idea of the direction of travel for your company because your job in these sessions is to listen to your team, but it's to guide the conversation because you are the entrepreneur. So although you want it to feel like their idea, it's also, it's not just their idea. You want to guide the conversation.

So don't turn up to those strategy sessions going, well, person who just joined three months ago, where do you think we should take the company? And then you go, I think we should open 10 new offices. And you go, well, I guess that's what we're doing because that's what Adam said.

He said team buy-in. No, that's not how it works. So you're going to suggest and allude and guide them and coach them like the puppeteer to probably the right answer, but you're also going to have two ears and one mouth because they might have insights, which you hadn't previously considered because you're not at the coalface anymore.

For X, Y, and Z reason, there's things you just haven't considered. So they have a lot of input to add, but you are the leader and you should be guiding. So that's really important.

What else can I say about the homework? So obviously yeah, this packages point, I think is where a lot of people need to do a lot of work. So it's like, what are we actually going to offer?

How are we going to make it market leading? The three numbers. So following up on the Financial Fortress, following up on booking your BlueCrest report and the Life by Design scorecard, giving yourself that ranking from the app, maybe going over it again.

So yeah, don't forget to engage in our app and set up your winter hit list group. I was going to get everyone to set up the winter hit list group in the room, but seeing as 95% of people had done it, I didn't want to just waste everybody's time doing it. So if you didn't put your hand up, you should really be doing that as soon as we ring the bell on today.

You want to get that winter hit list thing done, a WhatsApp group set up, people go, what the hell is this? And you go, I'll talk to you about it on Monday. And it's like, you just need to get that going.

So people who are most active in this app are going to get the best results. That's a fact. So I want everyone to commit to getting involved in the app.

I've made a big thing of that today. And ultimately, it's all what the community is all about. Talking about the content that's available for you in the app and in the vault is going to be from my session on Wednesday.

So we obviously haven't covered year of today, which is the personal chapter in your life, your personal strategy. If headline strategy is your business strategy, year of is your personal strategy. And this for me is where it all hangs off.

So if you want to listen to that session again, that's in there. You've got a handful of habits. Remember this?

A handful of habits. It's very important. It's the fundamentals.

It's your baseline. It's the things that are going to keep you on the straight and narrow, keep you looking, feeling and performing your best. So again, we're not going to cover that on advance, but it is available in the vault to listen to again.

And if you'd like to grab a handful of habits postcard so you can write yours out and stick it on your bathroom mirror as normal, Bianca's got a pile of them at the back for you. Okay. So they're there for you.

And then obviously headline strategy. Now Dan's done a whole session on it today. Well, 30 minutes, but there was a 60 minute session on it as well in on the programme.

So if you're still new to this, if you're not a hundred percent confident, if you want to go back in like you're nervous in front of your team about setting a headline strategy, not only have you got Michael's midweek mentoring, you've got my presentation on it as well to give you all the detail and extra comfort, which you can watch at the comfort of your own home. You can watch for that when you're out doing steps, et cetera. So you've got everything you need to put the ball to the back of the net.

You just need to kick the ball. Sunday's sanity. Shaney's already beaten me to the punch on this one, but these were the scores.

So, you know, like not bad, not bad. Okay. I'm trying to be nice.

It's like shit sandwich, like pretty good. Could do a lot better, you know? So like, obviously we've got 10 or so people here that I definitely will not be sending a Christmas card to.

You guys, you get, you're going to get a blank sheet. We're going to start again. The 90% percentage required to get the accreditation.

So congratulations to basically 85% of the group, which did this. Let's give everyone a round of applause for that. So it's pretty good.

Not bad. Considering we went over to the app, it was new. I'm just going to be nice.

But this really is like, like, like no jokes now. This is like, it's green or nothing. It's hell yes or hell no.

There's no like my dog at my homework. I just don't want to hear it. It's like, seriously, raise your standards.

So this is a commitment. Who's not going to do this? Okay, good.

Book Club. So Book Club, if you're thinking about a bit of a change in direction this year, if you're thinking about challenging conventional mindset, this book, The Art of Frugal Hedonism, is how to basically get more enjoyment out of life without spending as much money. So this actually is what Dan, when Dan, everyone knows the story or no?

Dan decided to go from living in, driving an IRA and living in a penthouse to buying a narrowboat for £45,000 and, you know, stitching his own curtains. And that's how he got his enjoyment for the year. And he literally lived on a narrowboat and lived that life of spending very little.

I can't remember what his budget was, but it was not a lot of money to live. So this is a really interesting insight about how you can really find enjoyment in the small things. So if you're thinking about a different change in direction, I'd really recommend this book.

It's a really nice balance to the money focus, commercial business world that we were all kind of in by default by being in the West. Another good podcast, which I think Dan launched last year, was episode 108, which is now we're going into a new year, we can set ourselves a new diary, a new default diary, a new schedule. So I've got to make space for these new things, right.

So like for me, for example, now, obviously, I'm making a big space for Mastermind. And it's going in every Wednesday. And it's like, this is a new, I'm in a new year, like it's a new thing, right.

So we want to have our space for our for our new things in our year. So get that on, lock that in if you haven't done it already. Midweek mentoring, I've already discussed it, but just as a headline.

So you've got Dan Norman next Wednesday, you've got myself on the 15th. So with mid month mentoring, as we did last month, this is a first come first serve slot. If you would like to reserve a place with me on mid month mentoring, there is a QR code in the back of your workbooks, you can do it now.

It's first come first serve, you will get a 20 we'll call it well, we'll say a 15 minute slot. It depends on how it takes, obviously. But I'd like to do three people per session with potentially space for another one.

So it's first come first serve, get in there, get a slot booked, and get the most value as you can out of the course. And then lastly, obviously, Michael's going to be running us through headline strategy for midweek mentoring. So get those locked in your diary.

I'm going to ask Dex to put some music on now. This has been the first workshop of the rest of your lives. It all changes from today.

It's a new look, Property Entrepreneur Advance. It's a smaller group. We've changed the way we've done things.

How was it for you? Do you like what you see? Do you not like what you see?

Can you give us any feedback on the ways we could improve? You've got an NPS score text on your device now. So I'm going to give you a few minutes to give us a score, give us some welcome feedback.

We take it all on the chin. We take it gratefully. We'd love to know what you think.

The score is good, but the comments are better.

[Speaker 19] (1:45:23 - 1:45:24)

You've done that, put your phones down.

[Adam Goff] (1:45:24 - 1:49:19)

Thank you very much. Okay, Guillaume's looking at cats licking ice cream, so it must be done. That's good.

Yes, so last thing, or second to last thing actually, is Buddy Up. So again, I'm going to get Dex to put some music on. This is your chance to level up your accountability.

It's your chance to share the journey with someone in the community. It's your chance to get to know them better. It's your chance to figure out what they do, how you might work together, how you might help each other.

It's a shoulder to cry on. It's someone to high five and celebrate. It's all those things.

It's someone to do your SCS with on a Monday, to post your Sunday sanity to them, to check in on a Wednesday, have a walk and talk, and to sign off on a Friday. Okay, why not take it to the next level with your buddy? So I'm going to get Dex to put some music on now.

So the person you're sitting near next to, Buddy Up. Off you go. Exchange phone number details.

So you've got each other's contact details. I've reserved you a slot. I've reserved you a slot.

Okay, ladies and gents, hopefully you've got your buddies details. So I know you're all desperate to have a chit-chat because I've been so militant today. You can have your...

We're going to go to networking now. Can we end, please, with a massive round of applause for today? Have you had a good time?

Yes. So thank you to Josh, Dan and Adam Lawrence. Thank you to all of you.

I'll see you next month, okay?